



# ***Daily Report***

## **China**

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# Daily Report

## China

FBIS-CHI-91-215

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**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

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## United States & Canada

### Bush's Views on Long-Term Interest Rates Noted

OW0611052191 Beijing XINHUA in English  
0250 GMT 6 Nov 91

[Text] Washington, November 5 (XINHUA)—President Bush said today that broad tax cuts to stimulate the faltering U.S. economy would "shoot the long-term interest rates right through the roof."

Bush, who had been vacillating on whether to send Congress a new package to spur economic growth, said he still had not made up his mind. But he told reporters in a White House picture-taking session: "What I don't want to do is come up with a growth package that just further burdens the American taxpayer. And I'm not going to do that."

Referring to tax cut proposals worked out by the Congress, Bush said, "some of these suggestions that shoot the long-term interest rates right out through the roof are simply unacceptable."

"I'm talking about the idea of getting broad tax cuts without regard as to what it does to long-term interest rates or the (1990) budget agreement."

Bush reiterated his contention that many proposals he had already sent to Congress, including the capital-gains tax cut, would prod the sluggish economy.

"But whether there would be additional steps I don't know. If they had taken my five-or-six-point growth package some time ago, I think it would have had a stimulative effect," he said.

White House Budget Director Richard Darman said that a tax cut won't be enacted this year, but might be next year if the U.S. economy remains sluggish.

Darman said that "if the economy is still sputtering" next year, "then it is conceivable to me that there would be the right political context in which to enact a responsible tax cut."

When Bush was asked whether he was close to a decision on aid for the Soviet Union, he cited the U.S. economic situation.

"We're going to be discussing that. We don't want anybody to starve. The United States has always tried to be of assistance to people who are really, truly hurting but there's certainly some constraints on what the United States can do right now because of our own budget problems," he said.

### Sino-U.S. Relations, White Paper Viewed

HK0311081791 Hong Kong HSIN WAN PAO  
in Chinese 2 Nov 91 p 1

["New Talk" column: "Sino-U.S. Relations and White Paper on Human Rights"]

[Text] Three senior Chinese officials have talked of Sino-U.S. relations on different occasions recently. Yesterday, the Information Office of the State Council published a White Paper on Conditions of Human Rights. Both events have drawn close attention at home and abroad.

A report said that U.S. State Secretary Baker, who is to attend the Asia-Pacific Economic Council Conference, to be held in Seoul in mid-November after the Madrid Mideast peace conference, will possibly visit Beijing after his stay in Seoul. But both China and the United States have kept silent on this, and nobody else can confirm this report.

Wu Jianmin, a spokesman for the Chinese Foreign Ministry, confirmed during a news conference the day before yesterday that China and the United States have been keeping in touch with each other, but he refused to disclose more details. He said: Sino-Japanese relations have been completely restored and some new progress has been made, while Sino-U.S. relations have not been normalized yet, which China does not want to see. It is hoped that the two sides will increase contact, enhance mutual understanding, and avoid disputes, as this will be conducive to the maintenance of stability and peace in the Asian-Pacific region and in the world as well.

The Japanese, British, and Italian prime ministers and the French foreign minister separately visited China in the past six months, and the German economic affairs minister will also visit Beijing soon. Taking advantage of his stay in the United States during the UN General Assembly, the Chinese foreign minister visited Washington to meet with the U.S. President. But so far the U.S. secretary of state has not paid a visit to China.

Yesterday, Li Ruihuan, member of the Standing Committee of the Political Bureau of the CPC Central Committee, met in his turn with a guest from the United States—former U.S. Ambassador to China (1981-1985) Arthur Hummel. They had a friendly conversation on the present situation and prospects of Sino-U.S. relations.

Li Ruihuan told Hummel: It is a common wish of both the Chinese and American peoples to see Sino-U.S. relations return to normal. Despite different ideologies and values, upgrading the friendly and cooperative relationship between China and the United States will bring benefits to both peoples. The Chinese Government hopes very much that Sino-U.S. relations will be restored to the normal status at an early date.

A meeting involving another leader senior to Li Ruihuan was the interview of CPC Central Committee General Secretary Jiang Zemin with A. Borchgrave, formerly editor in chief and now editor at large of THE WASHINGTON TIMES of the United States. During the interview Jiang Zemin answered Borchgrave's questions covering many areas. It is only known that this interview was held "recently" as the actual date of the interview was not given. A detailed text of the interview was released only after the publication of the White Paper on

Conditions of Human Rights by the Information Office of the State Council yesterday. During the interview the interviewee talked about Sino-U.S. relations, to which such importance has been attached, and his views on democracy, freedom, and human rights. This indicates that the release of the text of the interview and the publication of the White Paper are echoing each other.

Jiang Zemin's remarks on Sino-U.S. relations and China's national conditions convey the following important messages: First, China wishes to see an early normalization of Sino-U.S. relations, which is in keeping with both sides' fundamental interests and conducive to the maintenance of balance, peace, and stability in the Asian-Pacific region and the world as a whole. Second, China will uphold its reform and opening up policy and has confidence in the road to socialism with Chinese characteristics. And third, it is unrealistic to attempt to fit the whole world into a specific mode; ideology should not be placed first, but the five principles of peaceful coexistence should be observed in handling state-to-state relations.

With regard to democracy, freedom, and human rights, Jiang Zemin said, the basic point lies in man's right to subsistence and right to development in nature and human society. There is no point in talking about democracy, freedom, and human rights without considering social progress and economic development, he noted.

The White Paper published by the Information Office of the State Council has further expounded and elaborated this argument. Running to 45,000 characters, the White Paper consists of 10 parts. It holds high the banner of preservation of human rights, and lists the right to subsistence as the prime human right that the Chinese people have long been striving for.

One will probably see the outcome in the next two weeks as to whether Sino-U.S. relations will remain stagnant or even deteriorate, or will be restored and develop.

#### **Sino-U.S. Trade Ties, Clause 301 Assessed**

*HK0411105591 Hong Kong TA KUNG PAO in Chinese  
4 Nov 91 p 31*

["Special Feature" by Sui Hsiang (7131 4382): "Resolve Difficulties With Pragmatic Attitude—Looking at '301' From Actual Sino-U.S. Trade Conditions"]

[Text] The Sino-U.S. bilateral trade talks over the "301" [clause] have drawn great attention from Hong Kong investors. For days, various major chambers of commerce, all relevant professions and trades, the Trade Development Council, and China-funded organizations in Hong Kong have shown great concern. The Hong Kong Export Chamber of Commerce even sent a delegation to Beijing to express its views to relevant ministries of the state and to inquire about how the talks are progressing. This shows that the "301" issue is closely linked with Hong Kong's economy while the prospects of the Sino-U.S. trade talks will even influence the future development of Hong Kong.

Judging from the conditions of recent Sino-U.S. trade talks, one of the important objectives of the United States is to get China to open its market so that more U.S. commodities will be exported to the mainland and that the current Sino-U.S. bilateral trade situation can be changed. In fact, since China's opening, the mainland has been continually opening its market. Following the reform of the foreign trade structure, delegation of autonomous import and export rights, and expedition of the pace of introducing foreign capital, U.S. capital and its commodities have entered, as have the capital of other countries, the mainland market in large quantities, and the United States has not been treated unfairly.

#### **U.S. Businesses Receive Fair Treatment**

As far as the import of commodities is concerned, China is an important buyer of Boeing aircraft from the U.S. Trade volume in recent years has reached several thousand million U.S. dollars. Coupled with the aircraft joint venture with the U.S. "McDonnell Douglas" in Shanghai, U.S. aircraft and spare parts have almost occupied the entire aviation market of the mainland. As for investment in China, "Coca-Cola" and "Pepsi," two large beverage corporations, have developed rapidly in recent years and have occupied a very large portion of the mainland market. Moreover, the U.S. "Xerox" copying machine joint venture in Shanghai, the "Heinz" dairy products joint venture in Guangzhou, and the "Du Pont" chemical industrial joint ventures in various cities of eastern and southern China are all large foreign investment groups on the mainland at the present time. Their products occupy an important position on the mainland market and enjoy good a reputation among consumers.

Trends of U.S. investment and their product sales on the mainland are not bad at all. Neither do China's tariffs present any obstacles to U.S. businesses. That the United States is in an inferior position compared to Japan and Hong Kong in terms of investment and product sales in China is mainly because of the relatively high cost of U.S. products and the relatively high quotations for various investments. It is comparatively difficult for people on the mainland to generally accept them.

On the other hand, U.S. commodity investments are generally larger and their technical expertise is higher, while the mainland is limited by its economic development level and has insufficient foreign reserves. Compared to Japanese and Hong Kong products, U.S. imports to the mainland market are obviously smaller. However, following the readjustment of the state industrial policy and the boosting of large and medium-sized state enterprises, the continual increasing pace of technological transformation and product upgrading, and the drastic increase in the demand for high-technology and heavy chemical industrial equipment, there will be a very large increase in U.S. exports to the mainland in the near future, while U.S. investment on the mainland will obviously increase as well. Since the beginning of the year, China has obviously increased U.S. imports and has reduced tariffs for some commodities on many occasions. Next year, China will greatly reduce tariffs for

225 kinds of commodities. This shows that China is making positive efforts to improve Sino-U.S. trade conditions.

#### **Sanction Will Not Be Beneficial to the United States Either**

As for the U.S. market, export volume to the United States of Chinese commodities and Hong Kong products processed on the mainland is now fairly large. According to statistics, in 1990, export volume to the United States of commodities via Hong Kong and Hong Kong products processed on the mainland totaled over 14 million Hong Kong dollars, approximately 16 percent of the U.S. market of daily consumer products. If the United States raises tariffs for these commodities a lot, it will, of course, be bad for the mainland and Hong Kong's export processing industries, but will also lead to the rise of their prices or shortages in these products on the U.S. consumer goods market.

Judging from the actual current conditions of China and the United States, the trade sanction will not be good for both sides. Only common interests will bring mutual understanding to them and enable them to remove the trade difficulties with a pragmatic and cooperative attitude.

#### **Canadian Trade Official Arrives in Beijing**

HK0511012991 Beijing CHINA DAILY in English  
5 Nov 91 p 2

[By staff reporter Qu Yingpu]

[Text] Canadian Deputy Ministry of International Trade, Donald Campbell, arrived in Beijing yesterday to participate in the 11th meeting of the Sino-Canadian joint trade committee.

Sources said that both sides would discuss bilateral trade problems, such as China's trade deficit with Canada, and seek opportunities for expansion of co-operation including trade and investment.

Campbell is the second Canadian ministerial official to visit China since 1989, following agriculture minister William McKnight, who toured China last month. Campbell was also the first Western deputy minister to have invited a top Chinese foreign trade official for a visit in November 1990.

During his current three-day Beijing tour, which will end tomorrow, Campbell was expected to "exchange views on the expansion of bilateral economic relations and trade" with Chinese Vice-Foreign Trade Minister Gu Yongjiang, an official with the ministry said.

Shu Hui, the official in charge of Sino-Canadian trade, noted that Campbell's visit came shortly after the Canadian Government decided to provide a new soft loan to China.

Canada decided earlier last month to grant 175 million Canadian dollars (\$156 million) of preferential loans to China. This would be a third loan programme. Under the

last two loan programmes, the two countries signed contracts to use \$960 million to supply the construction of 78 projects in China.

The two sides are expected to begin negotiations soon on the third loan programme and prepare for a quick official signing, Sui said.

She declined to say how China would use the loan funds but said the programme will play a positive role in expanding China's imports of Canadian technology, equipment and machinery.

Sui said Sino-Canadian trade has been growing rapidly since the two countries established diplomatic relations in 1970.

According to the ministry, bilateral exchanges between the two countries last year topped \$1.7 billion, compared with an annual trade volume of roughly \$400 million to \$500 million in the 1970s.

The 1990 figure was also 43.3 per cent more than in 1989.

Sui said, however, that China's trade deficit with Canada is becoming "a problem that cannot be ignored."

The deficit has accumulated to \$1.3 billion, she said. Of the \$1.15 billion worth of items exchanged between the two countries during the first eight months of this year, China's imports accounted for \$825 million while its exports only stood at \$320 million.

Sui said China would not seek an absolute trade balance but maintains that "its sharp and rapid growth is based on a balanced and co-ordinated development of bilateral trade."

She also urged both sides to make efforts to exchange new products, which will help tap the "great potentialities" of bilateral trade.

Sui also noted that Canada is one of the major investors in China. By the end of June, China has altogether approved 146 Canadian-invested projects. Total investment for these projects is \$298 million.

Campbell's delegation is expected to leave Beijing tomorrow for a visit to Shanghai.

### **Southeast Asia & Pacific**

#### **Visit of SRV's Do Muoi, Vo Van Kiet Reported**

##### **Talks Previewed**

HK0511140191 Hong Kong HSIN WAN PAO  
in Chinese 5 Nov 91 p 4

["Special dispatch": "Vietnamese Communist Leader Do Muoi Visits China Today; Jiang Zemin and Li Peng To Hold Talks With Him"]

[Text] Beijing, 5 Nov (HSIN WAN PAO)—A high-ranking Vietnamese delegation headed by Do Muoi, general secretary of the Communist Party of Vietnam



(CPV) Central Committee, and Vo Van Kiet, chairman of the Council of Ministers, will be arriving in Beijing this afternoon on a special plane.

Do Muoi and Vo Van Kiet are coming to China for a five-day official visit at the invitation of CPC Central Committee General Secretary Jiang Zemin and Li Peng, State Council premier.

As revealed by sources, discussion during the visit between the leaders of the two countries will concentrate on normalizing bilateral relations. There will be a public announcement: The confrontation and abnormal relations between the two countries over the last 10 years or so have ended. The two countries will develop good-neighborly and friendly relations and cooperate on the basis of the Five Principles of Peaceful Coexistence.

The visit by the high-ranking delegation headed by General Secretary Do Muoi and Prime Minister Vo Van Kiet will become a historical turning point for Sino-Vietnamese relations. This afternoon, Jiang Zemin and Li Peng will jointly hold talks with them. After the talks, leaders of the two countries will announce that China and Vietnam have normalized relations. The normalization of Sino-Vietnamese relations is a great event for China and Vietnam and marks the normalization of China's relations with all its neighboring countries.

Concerned personages said that normalization does not mean that China and Vietnam will return to the "comradely and brotherly" relations of the 1950's and 1960's. The two countries will develop friendly cooperation in various fields and establish a new type of relations on the basis of the Five Principles of Peaceful Coexistence. Normalization of Sino-Vietnamese relations will not affect their respective relations with third countries. During Do Muoi and Vo Van Kiet's visit, the Chinese and Vietnamese Governments will sign some interim accords on border affairs and economic and trade cooperation agreements.

According to the itinerary, after the joint talks between Jiang Zemin and Li Peng and Do Muoi and Vo Van Kiet, the general secretaries and premiers of the two countries will hold separate talks, discussing in concise detail specific aspects about developing bilateral relations. Jiang Zemin and Li Peng will also jointly host this afternoon and evening a grand welcoming ceremony and reception party for Do Muoi and Vo Van Kiet. Chairman Yang Shangkun will also meet the Vietnamese leaders before they leave Beijing for Guangzhou and Shenzhen for a tour and visit. The Chinese side has arranged for a literature and art soiree for their Vietnamese guests.

Hong Ha, secretary of the CPV Central Secretariat and Foreign Minister Nguyen Manh Cam, are also members of the high-ranking delegation headed by Do Muoi and Vo Van Kiet.

### SRV Envoy on Visit

BK0511122191 Beijing Radio Beijing in Vietnamese  
1100 GMT 4 Nov 91

[Interview with Vietnamese ambassador to China Dang Nghiem Hoanh by station correspondent on the occasion of General Secretary Do Muoi's visit to China; date not given—recorded]

[Text] [Correspondent] Dear Comrade Ambassador, China and Vietnam are two close neighbors and our two peoples have enjoyed a long-standing traditional friendship. On the occasion of the visit to China by General Secretary Do Muoi and SRV Council of Ministers Chairman Vo Van Kiet to hold a summit conference with their Chinese counterparts, will you please elaborate on the significance of this conference?

[Dang Nghiem Hoanh] This is good news that we have longed for. I think that our two peoples—who have enjoyed a long-standing traditional friendship—are very happy to witness this event. In fact, China and Vietnam used to unite and assist each other in the struggle for independence and freedom. After a period of interruption, relations between the two countries have been gradually restored and developed. This summit conference will usher in a total normalization of relations between the two parties and nations and a new era of progress for this relationship, thereby meeting the earnest aspiration of our two peoples. This will contribute not only to strengthening development programs in each country but also to promoting peace, stability, and cooperation in Southeast Asia and Asia as a whole. As a result, it can be said that this Sino-Vietnamese summit conference is of great significance in the relations of the two countries and beyond.

[Correspondent] After the normalization of relations, China and Vietnam will strive to develop their friendly relations and good neighborliness on the basis of the Five Principles of Peaceful Coexistence. Will you elaborate on the significance of this effort especially in helping to establish a new international politico-economic order in general, and in promoting the Sino-Vietnamese relationship, in particular?

[Dang] Yes, in the new stage, the Sino-Vietnamese relations will be built on the basis of the Five Principles of Peaceful Coexistence and the concept of good neighborliness. Moreover, China and Vietnam are two developing countries that are striving to implement reform, pursue an open-door policy, and engage in socialist construction in accordance with the unique conditions in each country while striving to promote their traditional cooperation relations. There are many similar points in the economy and culture of the two countries that can support development in each country. As a result, I am very optimistic and am convinced that we have bright prospects for and great potential in strengthening our relations in the economic, scientific, technological, trade, cultural, education, and social domains and so forth. Exchanges of experiences between sectors,



scholars, and mass organizations and societies of the two countries will be consistently expanded. Recent meetings between the two countries' authorities at the border area indicate that cooperative relations at this level will also be developed on a larger scale. For their part, the Vietnamese Government and people highly appraise and sincerely hope to share with the Chinese people their valuable experiences in implementing the renovation undertaking and the open-door policy. We hope that the all-round cooperation between the two countries will bring fruitful results on the basis of equality and mutual interests, thereby effectively serving the cause of national construction and development in each country.

I would like to stress that cooperation between the two countries is consistent with the general trend of the region and the world. Vietnam and China have pursued a foreign policy of independence, peace, friendship, and cooperation with all countries. As a result, I am convinced that the development of Sino-Vietnamese cooperation will positively contribute to promoting cooperation among nations in Southeast Asia and Asia as well as to establishing a new international politico-economic order in equality and justice.

Last but not least, on this occasion, on behalf of the Vietnamese people and government, and through Radio Beijing, I would like to convey to the fraternal Chinese people my kind regards and warm greetings. I wish the great Chinese people, under the leadership of the Communist Party of China led by General Secretary Jiang Zemin, new achievements in implementing the renovation undertaking and open-door policy and in carrying out the Eighth Five-Year Development Plan and the 10-Year Development Program as well as success in building socialism in China. I hope the friendly relations between the Vietnamese and Chinese peoples—built and forged by Presidents Ho Chi Minh and Mao Zedong—last forever.

[Correspondent] Thank you very much, Comrade.

#### Hanoi Reports Interview

BK0511055491 Hanoi Voice of Vietnam Network  
in Vietnamese 0500 GMT 5 Nov 91

[Text] In an interview granted to Radio Beijing last night, 4 November, on the PRC visit of Comrade Do Muoi, general secretary of the Communist Party of Vietnam; and of Comrade Vo Van Kiet, chairman of the Vietnamese Council of Ministers; Comrade Dang Nghiem Hoanh, Vietnamese ambassador to China, said:

This is the long-awaited, great and happy news. I think the peoples of our two countries are very happy over this important event. Imbued with a long-standing tradition of friendly relations, the once-united peoples had assisted one another in the struggle for independence and freedom. This visit will mark the normalization of relations between the two countries. Not only will this benefit the two peoples but also peace, stability, and cooperation in Southeast Asia and Asia as a whole. Thus,

it can be said that this high-level Sino-Vietnamese meeting has a significance that goes beyond the scope of the two countries' ties.

For its part, the government and people of Vietnam highly value and sincerely wish to share those valuable experiences obtained by the Chinese people in their reform and open-door policies. We hope that the all-round cooperations between the two countries will produce realistic results on the basis of equality and mutual benefit in the service of each country's construction and development.

#### Do Muoi Arrival Statement

BK0511152891 Hanoi Voice of Vietnam Network  
in Vietnamese 1430 GMT 5 Nov 91

[Statement by Vietnamese Communist Party General Secretary Do Muoi at Beijing airport—read by announcer]

[Text] Today, at the invitation of Jiang Zemin, general secretary of the Chinese Communist Party [CPC], and Li Peng, premier of the National People's Congress of the People's Republic of China, the chairman of the Council of Ministers of the Socialist Republic of Vietnam, Vo Van Kiet, and I are leading a high-level Vietnamese delegation on an official visit to China and have arrived in Beijing, the beautiful capital city of the great PRC.

We would like to convey our warmest greetings and the Vietnamese people's best wishes to the Chinese people and all residents of the capital city of Beijing.

Vietnam and China are two close neighboring countries. The two peoples have had a tradition of long-lasting friendship and have achieved unity, support, and mutual assistance in the struggle for independence, freedom, and national construction. The Vietnamese people highly appreciate their friendship with the Chinese people.

The high-level Vietnamese delegation's official visit to China this time is of great historic significance. The visit, which marks the normalization of Sino-Vietnamese relations, will be an important step leading to the restoration and development of the relations between the two countries in the political, economic, cultural, scientific, and technological domains.

The friendly, cooperative, and neighborly ties between Vietnam and China based on the principles of peaceful coexistence respond to the two peoples' aspirations and interests and contribute to the cause of peace, stability, cooperation, and development in the region and other parts of the world.

We are convinced that the Sino-Vietnamese summit this time will end in success and open up a new page in Sino-Vietnamese relations.

**Further on Arrival**

*BK0511162591 Hanoi Voice of Vietnam Network  
in Vietnamese 1430 GMT 5 Nov 91*

[Report on arrival of General Secretary Do Muoi and Council of Ministers Chairman Vo Van Kiet in Beijing on 5 November]

[Text] Dear friends, on the afternoon of 5 November a high-ranking delegation of our party and state led by Comrade Do Muoi, general secretary of the Communist Party of Vietnam [CPV] and Comrade Vo Van Kiet, chairman of the Council of Ministers, arrived in Beijing for an official visit to China.

An official welcoming ceremony for the Vietnamese delegation was solemnly held in front of the Great Hall in Tiananmen Square. On hand to welcome the Vietnamese delegation were Comrade Jiang Zemin, general secretary of the Communist Party of China [CPC] and Li Peng, premier of the PRC State Council.

Following is a report on the welcoming ceremony in front of the Great Hall in Tiananmen Square which we have just received through the intersat system.

The welcoming ceremony was solemnly held in front of the Great Hall in Tiananmen Square at 1645 [Beijing time] or 1745 [Hanoi time]. Comrades Jiang Zemin, general secretary of the CPC, and Li Peng, premier of the PRC State Council, as well as other Chinese party and state leaders were on hand to welcome General Secretary Do Muoi and Council of Ministers Chairman Vo Van Kiet and the Vietnamese delegation. Also attending the ceremony were a large group of cadres and officials of the Vietnamese Embassy in China.

Afterward, Comrade Jiang Zemin invited Comrade Do Muoi to inspect the honor guard.

The official visit to the PRC by the high-ranking Vietnamese delegation marks an important step in the relations between the two countries. Vietnam and China are two close neighbors that have enjoyed a long-standing traditional friendship. The Vietnamese people highly treasure friendship with the Chinese people. The Vietnamese party, government, and people are very happy to see the fine development in the relations of the two countries, and are convinced that this visit and the meeting of leadership of the two countries will result in total normalization of Sino-Vietnamese relations.

The friendly neighborly relations between the two countries, which are based on the Five Principles of Peaceful Coexistence, will be developed further to meet the two peoples' fundamental interests on a long-term basis, and will positively contribute to the cause of peace, stability, and cooperation in the region and the world.

We wish the traditional friendship between the two parties, governments, and peoples to be further consolidated and consistently developed.

Following a solemn welcoming ceremony at the Great Hall, General Secretary Jiang Zemin, Premier Li Peng, and many other leading comrades of the Chinese party and government held talks with General Secretary Do Muoi, Council of Minister Chairman Vo Van Kiet, and other members of the delegation.

On behalf of the PRC's party and government, General Secretary Jiang Zemin welcomed the official visit to China by the high-ranking delegation of the Vietnamese party and government, and stressed that in the present international situation, this visit has a very important meaning, marking a new step of development in the traditional friendship between the two parties, governments, and peoples of the two countries of China and Vietnam.

On behalf of the delegation, Comrade Do Muoi expressed his pleasure at visiting China and thanked the party, government, and people of China for their warm welcome.

The sides informed each other of the situation of their parties and countries, exchanged views on the world and regional situation, and worked toward consolidating and developing relations between the two parties, states, and peoples of the two countries. The Communist Party, government, and people of Vietnam treasure the official visit to China. This important event will mark the normalization of relations between Vietnam and China, open bright prospects for the relations between the two parties and two states, consolidate and develop the traditional friendship between the peoples of Vietnam and China which was strenuously cultivated by Presidents Ho Chi Minh and Mao Zedong.

The normalization of Vietnam-China relations will close the past, open the future, and be a historical necessity that responds to the earnest aspiration and fundamental and long-standing interests of the peoples of the two countries. At the same time, it will benefit peace, stability, cooperation, and development in the region and the world.

**Jiang Zemin, Li Peng Greet Visitors**

*OW0511122591 Beijing Central People's Radio  
Network in Mandarin 1030 GMT 5 Nov 91*

[From the "National Hookup" program]

[Text] A high-level Vietnamese delegation arrived in Beijing by special plane this afternoon to begin an official visit to China at the invitation of General Secretary Jiang Zemin and Premier Li Peng. The delegation is led by Do Muoi, General Secretary of the Communist Party of Vietnam [CPV] Central Committee, and Vo Van Kiet, chairman of the Council of Ministers of Vietnam. The visit marks the normalization of Sino-Vietnamese relations.

The members of the delegation include Hong Ha, member of the Secretariat and director of the Foreign Relations Department of the CPV Central Committee; Nguyen Manh Cam, foreign minister; Le Van Kiet,

minister of commerce and tourism; and Bui Danh Luu, minister of communications, transport and posts.

Flags are flying along the main avenues in Beijing. At 1630 hours, Jiang Zemin and Li Peng presided over a grand welcome ceremony for the high-level Vietnamese delegation on the Plaza outside the east entrance of the Great Hall of the People. General Secretary Do Muoi, accompanied by General Secretary Jiang Zemin, inspected an honor guard. A 21 gun salute was fired.

Present at the welcome ceremony were Chen Muhua, vice chairman of the National People's Congress Standing Committee; Qian Qichen, state councillor and foreign minister; Yang Taifang, chairman of the reception committee and minister of posts and telecommunications; Zhu Liang, head of the International Liaison Department of the CPC Central Committee; and Huang Zhendong, minister of communications.

After the ceremony was over, Jiang Zemin and Li Peng held talks with Do Muoi and Vo Van Kiet.

Jiang Zemin said: Coming as it does after the twists and turns that our bilateral relations have experienced, the summit meeting between Chinese and Vietnamese leaders today is of great significance. This is a meeting which puts an end to the past and opens up the future. It marks the normalization of relations between the two countries. It will certainly have far-reaching influence on the development of bilateral relations.

Do Muoi said: The Vietnamese side attaches great importance to the visit which marks the normalization of the Vietnamese-Chinese relations. Normal relations conform to the aspirations and fundamental interests of the peoples of both countries. They are conducive to peace and stability in the region and the world as a whole.

#### Leaders Begin Talks 5 Nov

OW0511122491 Beijing XINHUA in English  
1200 GMT 05 Nov 91

[Text] Beijing, November 5 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party (CPC) Central Committee, and Premier Li Peng of the State Council began talks with visiting General Secretary Do Muoi of the Vietnamese Communist Party and Chairman Vo Van Kiet of the Council of Ministers.

The high-level Vietnamese delegation arrived here earlier this afternoon on a five-day official visit to China.

Prior to the talks, Jiang and Li presided over a welcome ceremony outside the Great Hall of the People for the Vietnamese leaders. Do Muoi, in the company of Jiang, reviewed a guard of honor of the Chinese People's Liberation Army.

Among those present at the ceremony were Chen Muhua, vice-chairman of China's National People's Congress Standing Committee, State Councillor and Foreign Minister Qian Qichen, Chairman of the Chinese

Government Reception Committee Yang Taifang, head of the International Liaison Department of the CPC Central Committee Zhu Liang, Minister of Communications Huang Zhendong, and director of the Foreign Affairs Office under the State Council Qi Huaiyuan.

Up to the press time, the talks are still going on.

#### Profile of Vo Van Kiet

OW0611031091 Beijing XINHUA Domestic Service  
in Chinese 0629 GMT 4 Nov 91

["Personage in the News: Chairman Vo Van Kiet of the Vietnamese Council of Ministers"—XINHUA headline]

[Text] Beijing, 4 Nov (XINHUA)—General Secretary Do Muoi of the Central Committee of the Communist Party of Vietnam and Chairman Vo Van Kiet of the Vietnamese Council of Ministers will lead a high-level Vietnamese delegation on an official visit to China from 5 to 9 November at the invitation of General Secretary Jiang Zemin and Premier Li Peng.

Vo Van Kiet was born into a peasant family in Vinh Lien County's Trung Hiep Township, Cuu Long Province, on 23 November 1922. He joined the revolutionary ranks in 1938 and was admitted to the Communist Party of Indochina in 1939. In November 1940, he took part in the Nam Ky uprising in Vinh Lien County. From 1941 to 1945, he carried out activities in Rach Gia Province and served as member of the interim provincial party committee. In the August Revolution, he participated in an uprising to seize power in Rach Gia Province. During the War of Resistance against France from 1945 to 1954, he successively served as member of the Standing Committee of the Rach Gia Provincial Party Committee, deputy secretary of the provincial party committee, political commissar of the Staff Headquarters of the Revolutionary Militia in the west of South Vietnam, deputy secretary of the Bac Lieu provincial party committee, and secretary of the provincial party committee. He was elected member of the regional party committee in the south in 1955 and served as deputy secretary of the joint provincial party committee in the Hau Giang area. He served as secretary of the Gia Dinh District Party Committee in Saigon in 1958. He was elected alternate member of the party Central Committee in 1960 and served as member of the South Vietnam Bureau of the party Central Committee in the same year. In 1971, he was transferred to the western region of South Vietnam and served as secretary of the regional party committee. He has been member of the party Central Committee since 1972. He worked as member of the Standing Committee of the South Vietnam Bureau of the party Central Committee from 1973 to 1975. In 1975, when Saigon (now called Ho Chi Minh City) was liberated, he served as secretary of the special party committee of the Saigon City Military Control Committee and vice chairman of the Military Control Committee. He worked as deputy secretary of the Ho Chi Minh City Party Committee and chairman of the city people's



committee from January 1976 to June 1977. At the fourth party congress, he was elected alternate member of the Political Bureau of the party Central Committee. He served as secretary of the Ho Chi Minh City party committee from 1976 to 1982.

At the fifth party congress in March 1982, Vo Van Kiet was elected member of the Political Bureau of the party Central Committee; he was appointed vice chairman of the Council of Ministers and chairman of the State Planning Commission in April of the same year. He was elected member of the Political Bureau of the Party Central Committee at both the sixth and seventh party congresses, which were held in December 1986 and June 1991 respectively. He was appointed first vice chairman of the Council of Ministers in June 1987. In August 1991, he was elected chairman of the Council of Ministers at the Ninth Session of the Eighth National Assembly.

### Friendship Society Meets

OW0611031191 Beijing XINHUA Domestic Service  
in Chinese 0935 GMT 4 Nov 91

[Text] Hanoi, 4 November (XINHUA)—At a recent enlarged meeting here, the Vietnam-China Friendship Association adopted after discussion a work plan for strengthening the good-neighborly and friendly relations between Vietnam and China in 1992.

Vietnam's NHAN DAN today reported that the meeting, held on 2 November, was presided over by Pham Nhu Gang [5400 1172 0474], vice president of the Vietnam-China Friendship Association, and attended by members of the association's Central Executive Committee as well as delegates from the various provinces bordering China and local branches of the association.

The report says: To enrich its activities, the association will draw up a separate plan for cooperation with the China-Vietnam Friendship Association.

### Hanoi Reports Talks

BK0611034391 Hanoi Voice of Vietnam Network  
in Vietnamese 2300 GMT 5 Nov 91

[Text] Comrade Do Muoi, general secretary of the Communist Party of Vietnam [CPV] Central Committee; and Comrade Vo Van Kiet, chairman of the SRV Council of Ministers, held official talks with Comrade Jiang Zemin, general secretary of the CPC Central Committee; and Comrade Li Peng, premier of the PRC State Council, at the Great Hall of the People in Beijing on the afternoon of 5 November.

Also attending the talks were:

—On the Vietnamese side: Comrade Hong Ha, secretary of the CPV Central Committee and head of the party Central Committee's Foreign Relations Department; Comrade Nguyen Manh Cam, foreign minister; Comrade Le Van Kiet, minister of commerce and tourism; Comrade Bui Danh Luu, minister of communications,

transportation, and post; and other high-ranking cadres of our party and state.

—On the Chinese side: Foreign Minister Qian Qichen, Zhu Liang head of the CPC Central Committee Foreign Relations Department; Head of State Council Office Qi Huaiyuan; Minister of Posts and Telecommunications Yang Taifang; Minister of Communications Huang Zhendong, and other high-ranking cadres of the Chinese party and government.

On behalf of the high-level Vietnamese delegation, Comrade General Secretary Do Muoi expressed his joy over having the honor of leading a high-level Vietnamese delegation to pay an official visit to China and extended his warm regards and his friendly and sincere sentiments to the Beijing people and the Chinese people as a whole.

Comrade General Secretary Do Muoi emphatically said: The Communist Party, Government, and people of Vietnam attach special importance to this official friendship visit to China. This visit will mark the normalization of relations between Vietnam and China and open bright prospects for the relations between the two parties, two states, and two peoples. The normalization of Sino-Vietnamese relations in the spirit of closing the past and opening the future is a historic necessity for meeting the ardent desire and the fundamental and long-term interests of the two peoples. At the same time, it will also benefit peace, stability, cooperation, and development in the region and the world.

Comrade General Secretary Do Muoi sincerely thanked the Chinese leaders and the people of Beijing for having accorded a warm and well-organized welcome to his high-level Vietnamese delegation and expressed hope that these high-level Sino-Vietnamese talks would produce fine results.

Speaking at the talks, Comrade General Secretary Jiang Zemin said: After a difficult time in our relations, these high-level Sino-Vietnamese talks are of great significance as they will close out the past and open the future and will have a far-reaching impact on the lasting relations between the two countries.

The comrade recalled the history of the long revolutionary struggle during which the peoples of the two countries had sympathized with and supported each other and also during which our preceding leaders had forged fine friendly relations. The normalization of the relations between the two countries is consistent with the aspirations of the peoples of China and Vietnam.

Both sides unanimously agreed to undertake the normalization process and develop the relations between the two countries on the basis of the principles of good neighborliness, respect for each other's sovereignty and territorial integrity, noninterference in each other's internal affairs, and resolution of all problems that may arise through negotiations and consultations, mutually-beneficial cooperation, and peaceful coexistence.

Both sides also unanimously agreed that the relations between the two communist parties would be built on the basis of the principles of independence, sovereignty, total equality, mutual respect, and noninterference in each other's internal affairs.

Both sides held that the normalization of Sino-Vietnamese relations does not affect each country's relations with other countries and is in the interest of peace and cooperation in the region.

The talks took place in an atmosphere of friendship, frankness, and mutual understanding.

### Spokesman on 'Normalized' Ties

OW0611052091 Beijing XINHUA Domestic Service  
in Chinese 1253 GMT 5 Nov 91

[By reporters Zhou Cipu (0719 1964 2883) and Zhou Shuchun (0719 2885 2504)]

[Text] Beijing, 5 November (XINHUA)— During their talks this afternoon both Chinese and Vietnamese leaders agreed that the summit meeting between the two countries this time showed that Sino-Vietnamese relations have been normalized.

A Chinese Foreign Ministry spokesman made this announcement to reporters after the talks between Jiang Zemin, general secretary of the Central Committee of the Communist Party of China, Premier Li Peng, and visiting General Secretary Do Muoi of the Vietnamese Communist Party and Chairman Vo Van Kiet of the Council of Ministers.

During the talks Jiang Zemin said: "After a tortuous period, it is of great significance for the leaders of the two countries to sit down together and have high-level talks. This is a meeting which 'concludes the past and opens up the future.' The talks mark the normalization of bilateral relations and will have a profound impact on the development of such relations."

Both Jiang Zemin and Do Muoi held that the normalization of Sino-Vietnamese relations is in accordance with the wishes and interests of the two peoples and will benefit peace and stability in the region and in the world as a whole.

At the beginning of the meeting, which was held at the Great Hall of the People, Jiang extended a warm welcome to the high-level Vietnamese delegation on behalf of the CPC, the Chinese Government, Premier Li Peng, and himself.

On behalf of the Vietnamese party, Government, and people, Do Muoi expressed heartfelt thanks to General Secretary Jiang Zemin and Premier Li Peng for inviting him and Vo Van Kiet to head a high-ranking Vietnamese delegation to visit China, saying that "the Vietnamese side attaches great importance to the visit."

Do Muoi pointed out that Vietnam and China are close neighbors, and the two peoples have a long and traditional friendship, adding that he is pleased to see that bilateral relations have been gradually restored over the past few years and that the normalization of bilateral relations is a historical inevitability.

Reviewing the history of Sino-Vietnamese relations, Jiang Zemin said that Vietnam and China are connected by mountains and rivers and that the two peoples shared mutual support and sympathy and developed a profound friendship in their protracted revolutionary struggles.

In the last dozen years or more, Jiang said, bilateral ties suffered difficulties and setbacks, "which is something contrary to our wishes." He said that the Chinese side cherishes the traditional friendship between the Chinese and Vietnamese peoples, and hopes to end the abnormal status of bilateral relations as soon as possible.

He said: "With the efforts of the UN, the international community and the four Cambodian parties, the agreement on a comprehensive and political settlement of the Cambodia issue was signed in Paris on 23 October. Thus, the key problem blocking the normalization of Sino-Vietnamese relations has been solved. Now conditions are ripe to end with the past and realize normalization."

On the guiding principles for developing bilateral relations, Jiang Zemin stressed that it is abnormal for China and Vietnam to be in a state of confrontation, but it is also unrealistic for their relations to return to the status in the 1950s and 1960s. In the future, he said, the two countries should develop a friendly, good-neighborly relationship on the basis of the Five Principles of Peaceful Coexistence.

He said: "The normalization of Sino-Vietnamese relations is not directed against any third nation and will not affect their existing friendly ties of cooperation with other countries."

Along with the normalization of state-to-state ties, the two parties will have normal contacts on the basis of the four principles, namely, independence, complete equality, mutual respect and non-interference in each other's internal affairs, he said.

Do Muoi voiced agreement with the principles Jiang Zemin outlined for developing relations between the two countries and parties.

At the invitation of Jiang Zemin and Li Peng, the Vietnamese high-level delegation led by Do Muoi and Vo Van Kiet arrived here earlier this afternoon by special plane for an official visit to China. Not long after their arrival, Jiang Zemin and Li Peng jointly presided over a grand welcome ceremony for the guests of honor on the plaza outside the east entrance of Great Hall of the People. At the welcome ceremony, Do Muoi, accompanied by Jiang Zemin, inspected an honor guard of the three services of the Chinese People's Liberation Army. After the ceremony, the Chinese and Vietnamese leaders



began their formal talks. After the talks, Jiang Zemin and Li Peng hosted a banquet in honor of Do Muoi and Vo Van Kiet.

Attending the banquet were Wu Xueqian, vice premier of the State Council; Wen Jiabao, alternate member of the Secretariat of CPC Central Committee; Chen Muhua, vice chairman of the Standing Committee of the National People's Congress; Qian Qichen, state councillor and foreign minister; Luo Guibo, member of the Central Advisory Commission; Xu Qiqian, wife of the late Wei Guoqing, who was a vice chairman of the Standing Committee of the National People's Congress; and Luo Gan, secretary general of the State Council.

Also invited to attend the banquet were Hong Ha, principal member of the high-ranking Vietnamese delegation, member of the Secretariat of Central Committee of the Vietnamese Communist Party, and director of Central Committee's Liaison Department; and other members of the Vietnamese delegation, including Nguyen Manh Cam, foreign minister; Le Van Kiet, minister of commerce and tourism; and Bui Danh Luu, minister of communications.

When the visitors arrived in Nanning this morning, they were warmly greeted at the airport by party and government leaders of the Guangxi Zhuang Autonomous Region, including Zhao Fulin, Cheng Kejie, and Liu Mingzu.

#### **Banquet Held for Delegation**

*OW0511124191 Beijing XINHUA in English  
1206 GMT 5 Nov 91*

[Text] Beijing, November 5 (XINHUA)—Chinese Communist Party General Secretary Jiang Zemin and Premier Li Peng co-hosted a banquet in the Great Hall of the People this evening to welcome the high-level delegation from Vietnam, which is led by General Secretary Do Muoi of the Vietnamese Communist Party Central Committee and Chairman Vo Van Kiet of the Council of Ministers.

Do and Vo arrived here this afternoon at the head of a delegation on a five-day official visit to China.

Among the Chinese attending the banquet were Vice-Premier Wu Xueqian, alternate member of the Secretariat of the Chinese Communist Party Central Committee Wen Jiabao, Vice-Chairwoman Chen Muhua of the Standing Committee of the National People's Congress, and State Councillor and Foreign Minister Qian Qichen.

The Vietnamese delegation includes Hong Ha, member of the Secretariat and chairman of the Commission for External Relations of the Vietnamese Communist Party Central Committee, and Foreign Minister Nguyen Manh Cam.

#### **Hanoi Reports Banquet**

*BK0611032091 Hanoi Voice of Vietnam Network  
in Vietnamese 2300 GMT 5 Nov 91*

[Text] Comrade Jiang Zemin and Premier Li Peng hosted a grand banquet at the Great Hall of the People on the evening of 5 November in honor of the high-level Vietnamese delegation led by Comrade General Secretary Do Muoi and Chairman Vo Van Kiet now on a visit to China.

#### **Morning Meeting 6 Nov**

*OW0611100791 Beijing XINHUA Domestic Service  
in Chinese 0810 GMT 6 Nov 91*

[By reporters Chai Shikuan (2693 0013 1401) and Zhou Shuchun (0719 2885 2504)]

[Text] Beijing, 6 Nov (XINHUA)—Jiang Zemin, General Secretary of the CPC Central Committee, held talks with Do Muoi, General Secretary of the Communist Party of Vietnam Central Committee, in the Diaoyutai State Guest House this morning. The two sides exchanged views on Sino-Vietnamese relations and the international situation.

According to Chinese officials, Jiang Zemin said during the talks: Yesterday's talks were very good. The two sides have agreed to put an end to the past and to normalize relations between the two countries and relations between the two parties, and have also reached a consensus on the guiding principles for these relations. Do Muoi agreed with him.

On bilateral relations, Jiang Zemin said: A great deal of work remains to be done to steadily develop Sino-Vietnamese relations for a long time to come. In order to make bilateral cooperation stronger and more effective, it is necessary now to pay attention to restoring in a planned way relations between the two countries in all fields. We should do something only when the conditions for doing it are ripe, and we must not be overanxious for quick results. Questions left over from the past should be studied seriously, and should be solved gradually and properly through negotiations. In short, the Chinese side takes a positive attitude toward the development of Sino-Vietnamese relations.

Du Muoi said that he is all for the two sides developing bilateral relations earnestly and steadily. He was pleased with the normalization of Vietnamese-Chinese relations.

On the Taiwan question, Do Muoi said: Vietnam always held a "one China" stand. In other words, the government of the People's Republic of China is the sole legitimate government representing all of China. Taiwan is an inalienable part of China's territory. The non-governmental economic exchanges and trade between Vietnam and Taiwan will adhere to the above stand.

During the talks, General Secretary Do Muoi, on behalf of the Vietnamese side, extended invitations for General Secretary Jiang Zemin and Premier Li Peng to visit Vietnam at any time convenient to them. Jiang Zemin thanked Do Muoi for the invitations and said that he and Premier Li Peng will visit Vietnam at an appropriate time.

On the current international situation, Jiang Zemin said: The world's bi-polar structure has collapsed and the trend for a multi-polar structure is growing. Various forces in the world are undergoing new disintegration and regrouping. The future international situation is becoming even more unpredictable. However, peace and development remain the main trend. He said: We are full of confidence in the future of the world.

Jiang Zemin said: The new international political and economic order should be based on the Five Principles of Peaceful Coexistence. The affairs of a country should be decided by its own people, while international issues should be settled through consultations by the countries concerned. No country has the right to impose its concept of value, ideology, and development mode on others. He said: On the new international order based on the above principles can safeguard world peace and stability.

Do Muoi said: To establish a just, new, international political and economic order on the basis of the Five Principles of Peaceful Coexistence is also the stand of the Vietnamese side. During the talks, the two leaders also briefed each other on their domestic situation.

The participants to the talks included Wen Jiabao, alternate member of the Secretariat of the CPC Central Committee; and Zhu Liang, head of the International Liaison Department of the CPC Central Committee.

The participants on the Vietnamese side included Hong Ha, member of the Secretariat and director of the Foreign Relations Department of the CPC Central Committee.

### SRV Delegation Lays Wreaths

OW0611080191 Beijing XINHUA in English  
0707 GMT 6 Nov 91

[Text] Beijing, November 6 (XINHUA)—The visiting high-level Vietnamese delegation led by General Secretary Do Muoi of the Vietnamese Communist Party and Chairman Vo Van Kiet of the Council of Ministers, laid a wreath at the monument to the people's heroes in the Tiananmen Square here this morning.

Later, the Vietnamese guests laid another wreath before the statue of Chairman Mao Zedong at the Chairman Mao Memorial Hall and paid their respects to the remains of the late chairman there.

The Vietnamese delegation was accompanied by Yang Taifang, Chairman of the Chinese Government Reception Committee.

### More on Wreathlaying

HK0611052491 Hong Kong AFP in English  
0500 GMT 6 Nov 91

[Text] Beijing, Nov 6 (AFP)—Vietnamese Communist Party General Secretary Do Muoi laid a wreath Wednesday at China's main war memorial to begin the second day of a visit signalling the end of the rivalry between the two countries.

Under a cold morning drizzle, Muoi and Vietnamese Prime Minister Vo Van Kiet placed a floral ring before the Monument to the People's Heroes on Tiananmen Square. A banner across it read: "With respect from the senior Vietnamese delegation."

Vietnam fought a bloody border war with China in 1979 that paralyzed relations until a normalization process begun a year ago.

The 29-member delegation also laid a wreath at the nearby Mao Zedong mausoleum and paid respects to the chairman's embalmed remains in a solemn ceremony steps away from the Forbidden City, where Vietnamese envoys once made tribute offerings to the Chinese emperors.

Muoi held a second meeting with his Chinese counterpart Jiang Zemin later in the morning at an ornate Chinese-style villa set in the gardens of the Diaoyutai State Guesthouse.

### Daily on Relations

HK0611011491 Beijing CHINA DAILY in English  
6 Nov 91 p 1

[By Zhang Ping: "Vietnam and China Normalize Relations"]

[Text] China and Vietnam yesterday announced the normalization of their relations after a dozen years of confrontation.

Within hours after the arrival of Vietnamese Communist Party leader Do Muoi and Prime Minister Vo Van Kiet in Beijing, a summit meeting was held with Chinese Party General Secretary Jiang Zemin and Premier Li Peng in the Great Hall of the People where they agreed to the development.

A Chinese Foreign Ministry spokesman quoted Jiang Zemin as saying that the meeting could "end the past and open up the future."

The Vietnamese delegation, which included top party and government officials and the ministers of foreign affairs, trade and transportation, arrived in Beijing early yesterday afternoon for a five-day official visit to China.

Prior to the talks, Jiang and Li presided over a welcome ceremony for the Vietnamese leaders outside the complex that included a 21-gun salute and guard of honour.

At the meeting, Do Muoi said that Vietnam and China are close neighbours with a traditional friendship between the

peoples of the two countries and he called the normalization between the two countries as "historic certainty," according to the Chinese Foreign Ministry spokesman.

Jiang was quoted as saying that a friendly Sino-Vietnamese relationship is in accordance to the wishes and basic interests of the two peoples, and "this could not be changed by anybody."

The two leaders also said that the normalization of relations between the two countries is conducive to the peace and stability in the region and the world.

The normalization of the two countries' relations is not a move against any third countries, and will not hamper the existing friendly relations the two countries have with other countries, Jiang Zemin said.

He said that the two countries will develop their relationship under the Five Principles of Peaceful Co-existence.

The Chinese Party leader pointed out that "it is abnormal for the two neighbouring countries to be in the state of confrontation and it is also unrealistic for China and Vietnam to return to their relations in 1950s and 60s."

Jiang said that China had treasured the traditional friendship between the two countries and hoped to see an early end of abnormal relations.

The Chinese Party General Secretary also told Do Muoi that along with the normalization of the relations between the two countries, the two ruling parties would conduct normal contacts under the four principles governing relations between parties, namely independence, equality, mutual respect and non-interference in each other's internal affairs.

Do Muoi said that he agreed with Jiang's statement that the two countries would develop their relations based on the Five Principles of the Peaceful Co-existence while the two parties on the above-said four principles.

#### **Editorial on Normalization, Ties**

*HK0611061291 Hong Kong WEN WEI PO in Chinese  
6 Nov 91 p 2*

[Editorial: "Effects of Normalization of Sino-Vietnamese Relations"]

[Text] Do Muoi, general secretary of the Communist Party of Vietnam, and Vo Van Kiet, chairman of Vietnam's Council of Ministers, led a delegation to visit China, and held senior-level talks with Jiang Zemin, general secretary of the CPC; and Li Peng, the Chinese premier, announcing the normalization of Sino-Vietnamese relations.

As he welcomed the Vietnamese delegation, Jiang Zemin said: "After Sino-Vietnamese relations experienced some twists and turns, it is very important for the two countries' leaders to sit down together today to hold a senior-level meeting. This is a meeting which concludes the past, opens up the future, marks the normalization of bilateral relations

and will have a profound impact on the development of such relations." He continued: "It is abnormal for the two countries to be in a state of confrontation, but it is also unrealistic for their relations to return to the status in the 1950's and 1960's. In the future, we should develop neighborly and friendly relations based on the Five Principles of Peaceful Coexistence."

The reason for the deterioration in Sino-Vietnamese relations was because Cambodia was invaded, and China firmly opposed a country which used force to invade another sovereign state; when the Cambodian issue remained unresolved, Sino-Vietnamese relations could hardly be normalized. The agreement on an overall political settlement of the Cambodian issue was signed on 23 October in Paris, and the main obstacle to Sino-Vietnamese relations has been removed. Therefore, Sino-Vietnamese relations have naturally returned to a normal state. The normalization of Sino-Vietnamese relations is not getting at any third country, and it does not affect the currently existing friendly and cooperative relations both have with other countries. China hopes that the neighborly relations between China and Vietnam, like the relations China has with other countries, are based on mutual noninterference in internal affairs, respect for each other's sovereignty and territorial integrity, so as to be conducive to peace and stability in Southeast Asia and to economic cooperation in the world and easing tension.

China and Vietnam differ in national situations, and it is very important that they explore the development models according to the situations in their countries, and respect each other's choice.

China and Vietnam are close neighbors, and the normalization of relations between the two countries will certainly bring about a peaceful and open border, and this is beneficial to the principle of "each supplies what the other needs," and to developing trade and economic cooperation. Among the Vietnamese delegation are ministers of commerce, tourism, transportation, and posts and telecommunications, and they will sign contracts on cooperation in economic, transportation, and telecommunications cooperation with China. Businessmen of both countries may carry out frequent exchanges, while the people may enter each other's territory for sightseeing; therefore, it is a very urgent task for the two countries to restore air, trains, and sea transportation.

After concluding the talks in Beijing, the Vietnamese delegation will visit Guangzhou and the Shenzhen Special Economic Zone. It is clear that Vietnam has begun a new round of economic construction, and it has a strong desire for opening up to the outside world; it might be useful to look at the coast in south China, a region with the most rapid economic development.

Yunnan Province shares a border with Vietnam. At present, it is thoroughly opened up. Recently, it received delegations from Vietnam's Hoang Lien Son, Lai Chau, and Ha Tuyen Provinces and the city of Haiphong,



discussing the development of economic and trade cooperation, the issue of supplying what the other needs, and the concrete management measures for opening up the border. An interior province in China suddenly changes to an export-oriented province and actively participates in trade with foreign countries, and this will have a profound impact on the development of the southwestern regions in China.

The Yunnan-Vietnam Railway will soon be open, and the three southwest Chinese provinces may strengthen exchanges with the Southeast Asian countries through this railway. The goods imported from the Southeast Asian countries by China may go through Haiphong to Guizhou, Sichuan, and Yunnan. The railway from Guangxi's Nanning City to Dong Dang and Lang Son will be rebuilt, while the Friendship Gate will also be reopened soon, and Guangxi may also step up its trade links with foreign countries.

Hong Kong businessmen are clever and efficient. In the course of normalization of Sino-Vietnamese relations, so long as they can act as go-betweens in the trade domain, they will reap profits. Vietnam's economic recovery will also be helpful to checking the exodus of boat people to Hong Kong, as well as luring the boat people in Hong Kong back to their home soon.

#### SRV Commentary on Visit

OW0511144691 Hanoi Voice of Vietnam in Mandarin  
0830 GMT 5 Nov 91

[Station commentary]

[Text] Dear listeners, Vietnamese Communist Party General Secretary Do Muoi and Chairman Vo Van Kiet of the Vietnamese Council of Ministers will lead a Vietnamese high-ranking delegation to pay an official visit to China on 5 November.

The high-ranking talks between the two countries will be held in Beijing as expected by the peoples of the two countries. Since there will be an extremely significant turning point in relations between the two countries, our station's international commentator would like to express his opinions, in this international commentary program, about the visit.

On 5 November, General Secretary Do Muoi and Chairman Vo Van Kiet of the Vietnamese Council of Ministers will lead a Vietnamese high-ranking delegation to pay an official visit to China. This will be the first visit to China by Vietnam's party and state leaders after more than 10 years of abnormal relations between the two countries. Therefore, this visit is of great significance in relations between the two countries.

At the Sino-Vietnamese high-ranking meeting in Beijing, leaders of the two countries will engage in concrete and extensive discussions on the normalization of relations between the two countries. As a matter of fact, after the official visit to China by Minister Nguyen Manh Cam of

foreign affairs, the two countries have already discussed matters concerning the normalization of relations between the two countries. Both countries have also discussed in concrete terms cooperation in many fields and have achieved marked progress.

For example, both sides have dispatched many delegations to discuss matters concerning postal service and cultural exchanges. Meanwhile, the two countries have conducted active and frequent border trade. Chinese provinces along the border with Vietnam are sparing no efforts to enlarge border trade with Vietnam. According to the English language edition of CHINA DAILY, purchase contracts signed by both countries' companies have reached \$100 million. CHINA DAILY also said that border trade is expected to increase after the normalization of relations between the two countries. It is safe to say that the atmosphere of cooperation between the two countries is fairly good, promising favorable conditions for a successful meeting between high-ranking officials of the two countries. We may rest assured that the visit to China by Vietnamese leaders will serve as a milestone for the normalization of relations between the two countries.

According to the latest issue of the INDIAN WEEKLY, it always takes time to normalize relations. Sino-Vietnamese relations are no exception. Although some steps have been taken to promote relations between the two countries, the visit to China by Vietnamese leaders will symbolize a beginning of normalization of Sino-Vietnamese relations. In the course of normalizing relations between the two countries, a long process is needed. However, with favorable conditions appearing on the horizon, it goes without saying that there will be rapid progress along the road of Sino-Vietnamese relations.

#### Vietnamese Editorial Cited

OW0611093091 Beijing XINHUA in English  
0858 GMT 6 Nov 91

[Text] Hanoi, November 6 (XINHUA)—The Vietnamese-Chinese summit, which is being held in Beijing, marks the normalization of relations between the two countries, the Vietnamese newspaper "NHAN DAN" said in an editorial today.

The editorial said that the Vietnamese high-level delegation went to Beijing just at the time the Chinese people were vigorously fighting for the cause of reform, and were building their country along the socialist road with Chinese characteristics.

Under the leadership of the Communist Party of China, the Chinese people had attained remarkable achievements in ten years of reform. Congratulating the Chinese people on their enormous attainment, the editorial said China reaffirmed its role in the Asia-Pacific region and the world at large by its success. China offered an important contribution to safeguarding international peace and security.

It said that Vietnamese and Chinese peoples had traditional friendly relations, which the Vietnamese party and people held dear.

The editorial noted the normalization was in keeping with not only the aspirations of the Vietnamese people, but also those of the Chinese people.

It said Vietnamese-Chinese relations were based on the five principles—mutual respect of sovereignty and territorial integrity, non-aggression and non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. The relations should have no ill affects on other countries, and should enhance peace, stability and cooperation in the region.

The official visit of the Vietnamese delegation to China would be successful, the editorial believed.

#### **Vietnamese Provincial Delegation Visits Yunnan**

*OW3110184891 Beijing XINHUA in English  
1610 GMT 31 Oct 91*

[Text] Kunming, October 31 (XINHUA)—A delegation from three provinces and one city of Vietnam visited south China's Yunnan Province from October 25 at the invitation of the Yunnan provincial government.

During their stay, the delegation, led by Ta Huu Thanh, met with Governor of Yunnan Province He Zhiqiang. The two sides exchanged views on management affairs along the border, the conducting of border trade and other issues.

The delegation is scheduled to leave for home Friday.

### **Near East & South Asia**

#### **Yang Shangkun Concludes 5-Day Visit to Iran**

##### **Departs Iran**

*OW0211074191 Beijing XINHUA in English  
0719 GMT 2 Nov 91*

[Text] Esfahan, Iran, November 2 (XINHUA)—Chinese President Yang Shangkun and his entourage left here for home at 08:30 local time (05:00 GMT) after winding up a four-day visit to Iran.

Iran's Economics and Finance Minister Mohsen Nurba-khsh and Esfahan Provincial Governor Sharif Vaeqi were at the airport to see Yang off.

The Iranian officials hoped that Yang's trip to Iran would leave him "good impressions" and the Chinese leader would visit the Islamic Republic again in future.

Yang came to Esfahan, Iran's second largest city, on Friday after talks in Tehran with his Iranian counterpart Hashemi-Rafsanjani and then the leader Ayatollah Seyyed 'Ali Khamene'i. They discussed bilateral ties and regional and international issues of common concern.

Before leaving Tehran for this central city, the Chinese president described his trip as "fruitful," which, he added, had provided an opportunity for an exchange of "friendly sentiments" between the Chinese and Iranian peoples.

Both China and Iran desire to promote their cooperation in various fields, especially under the prevailing international situation.

Iran was the latter part of Yang's weeklong Asian tour, which also took him to Pakistan.

Iranian President Hashemi-Rafsanjani described on Friday the visits to both Pakistan and Iran as "important" because China is playing a significant role among Third World countries.

Yang was the first Chinese head of state to visit Iran since the two countries established diplomatic relations in 1971.

##### **Arrives in Xian**

*OW0211152191 Beijing XINHUA in English  
1503 GMT 2 Nov 91*

[Text] Xian, November 2 (XINHUA)—Chinese President Yang Shangkun arrived in Xian, north-west China's Shaanxi Province, this evening after winding up his one-week visit to Pakistan and Iran.

Among those meeting President Yang at the airport were senior officials of the local government, Chinese Communist Party Committee and Chinese People's Liberation Army.

Among those who accompanied President Yang on the visit and returned here by the same plane were Chinese Vice-Premier Wu Xueqian, Vice-Foreign Minister Yang Fuchang, Vice-Minister of Foreign Economic Relations and Trade Wang Wendong, and Director of the President's Office Zhao Yutian.

##### **Returns to Beijing**

*OW0411120991 Beijing XINHUA in English  
1121 GMT 4 Nov 91*

[Text] Beijing, November 4 (XINHUA)—Chinese President Yang Shangkun, after a two-day stop in Xian, Shaanxi Province, flew back to Beijing this afternoon, after his visit to Pakistan and Iran.

Among those who greeted Yang and his party at the Great Hall of the People were Chinese Premier Li Peng, Vice-President Wang Zhen, Vice-Chairman of the National People's Congress Standing Committee Peng Chong, Vice-Premier Zhu Rongji, Vice-Chairman of the Central Military Commission Liu Huaqing, Vice-Chairman of the Chinese People's Political Consultative Conference National Committee Hong Xuezhi, Secretary-General of the State Council Luo Gan, Vice-Minister of Foreign Affairs Xu Dunxin and Assistant Minister of Foreign Economic Relations and Trade Tian Runzhi.



Among Yang's entourage who returned by the same plane were Chinese Vice-Premier Wu Xueqian, Vice-Foreign Minister Yang Fuchang, Vice-Minister of Foreign Economic Relations and Trade Wang Wendong.

Pakistan and Iranian diplomatic envoys to China also greeted Yang and his party at the Great Hall of the People.

### Additional Reportage on Yang's Iran Visit

#### Daily on Hashemi-Rafsanjani Talks

HK0511142391 Beijing RENMIN RIBAO in Chinese  
1 Nov 91 pp 1, 4

[By Xu Baokang (1776 1405 1660): "Yang Shangkun Holds Talks with Iranian President"]

[Text] Tehran, 31 Oct (RENMIN RIBAO)—Iranian President Hashemi-Rafsanjani met with the visiting Chinese head of state, Yang Shangkun, this morning and exchanged views on bilateral relations, the international situation, and international and regional issues of common interest.

The two leaders expressed satisfaction with bilateral relations since the establishment of Sino-Iranian diplomatic relations 20 years ago. The two sides stressed the fact that China and Iran developing friendly cooperative relations is of very positive significance. Both China and Iran are Third World countries and share understanding in many points regarding world issues, economic development, and reinvigorating their nations. Under the current complicated and changeable international situation, the two countries should enhance consultations, coordination, and cooperation to play their just role in establishing a peaceful, stable, just and rational international new world political order.

President Yang stated: "Your Excellency's visit to China in June 1985 opened a new chapter in the history of Sino-Iranian relations, with bilateral, friendly, cooperative relations entering a new development stage." He added: "The Chinese Government prizes its friendship and cooperation with Iran and genuinely hopes to develop Sino-Iranian bilateral, friendly, cooperative relations further in all areas, through joint efforts, which will be conducive to common development and planning happiness for the people, while making contributions to safeguarding regional stability and world peace."

In the course of their talks, the Chinese and Iranian leaders fully exchanged views on developing bilateral economic cooperation and trade. The two sides noticed the rather great progress in bilateral trade in recent years, with the cooperative area continuously expanding. At the same time, they believed, there is still great potential for bilateral cooperation in the economic, science and technological arenas. The two sides expressed their willingness to work together to further develop multi-tiered bilateral cooperation in those arenas in varied forms.

President Hashemi-Rafsanjani expressed his hope that China would play a part in Iran's post-war reconstruction. President Yang Shangkun said that China holds a positive attitude toward participating in Iran's postwar reconstruction; specific projects can be left to the discussions of relevant departments of the two countries.

President Yang also briefed President Hashemi-Rafsanjani on his recent visit to Pakistan, saying that Sino-Pakistani relations have been sound since the establishment of diplomatic relations between the two countries, without being affected by changes in the domestic conditions of the two countries. His recent visit has achieved the expected goal of enhancing understanding, deepening friendship, and promoting cooperation.

President Yang said: China enhances friendly and cooperative relations with Iran and Pakistan on the basis of mutual respect, equality, and mutual benefit, without aiming at any other countries. President Hashemi-Rafsanjani expressed his agreement with President Yang's view.

On the international situation, the two leaders believed that the current international power imbalance has aggravated old contradictions and triggered new ones. The gap between North and South becomes all the more conspicuous. Presently, how to establish a new international political and economic order is a matter of common world concern. The two sides shared the view that the shaping of a new international political and economic order involves a long and complicated process. A new international political order should be founded on the basis of mutual respect for territorial integrity and sovereignty, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. It is imperative to replace the existing unfair international economic orders with a just, rational new international economic order characterized by equality and mutual benefit. All countries, big or small, powerful or weak, poor or wealthy, are equal.

The two leaders also discussed events in the Middle East, the situation in Northeast Asia, and the Afghan problem and exchanged views on these issues in depth.

Regarding China's domestic conditions, President Yang Shangkun stated: China's domestic situation is sound. It is focusing efforts on grasping economic construction to improve its own national strength. President Hashemi-Rafsanjani said: Iran is genuinely happy for China's accomplishments and hopes to refer to China's experiences in Iran's national construction. President Yang Shangkun invited Hashemi-Rafsanjani to visit China again when it is convenient for him to do so. President Hashemi-Rafsanjani accepted the invitation with pleasure. President Yang also expressed his thanks to the Iranian Government for providing aid to China's stricken areas earlier this year.

**More on Iranian TV Interview**

*HK0511112991 Beijing RENMIN RIBAO in Chinese  
1 Nov 91 p 6*

[By reporter Xu Baokang (1776 1405 1660): "Yang Shangkun Interviewed by Iran's Television Station, Islamic Republic of Iran Broadcasting, on Iranian-Chinese Relations, Major International Issues"]

[Text] Tehran, 31 Oct (RENMIN RIBAO)—President Yang Shangkun was interviewed here by Iran's television station this afternoon; he spoke highly of Sino-Iranian friendship, as well as answering reporters' questions on international issues.

President Yang said: "In the past two days, my colleagues and I received a warm reception by His Excellency President Hashemi-Rafsanjani, the Iranian Government, and the Iranian people and deeply felt the Iranian people's friendly sentiments for the Chinese people. I wish, through your station, to once again express my gratitude to your country's leaders, government, and people, and to convey the Chinese people's deep affection for the friendly Iranian people."

Talking about the result of the talks between the leaders of the two countries, President Yang said: "This morning I had talks with His Excellency President Hashemi-Rafsanjani in a very friendly and sincere atmosphere, and we fruitfully exchanged views on development of relations between the two countries and on regional and international issues of common concern. Both sides expressed satisfaction over the smooth development of relations between the two countries since the establishment of Sino-Iranian diplomatic ties 20 years ago, and especially during the past decade. Both sides shared a sincere desire to develop the friendly and cooperative relations between the two countries further, and both held similar views on many major international and regional issues. Both sides unanimously agreed that it is very important for the leaders of the two countries to exchange views in light of the current turbulent international situation."

President Yang said: "I believe my visit will enable friendly and cooperative relations between China and Iran in various fields to be further consolidated and developed. This is not only in accordance with the interests of the peoples of the two countries, but also conducive to peace, development, and stability in Asia."

Touching on the issue of nuclear arms reductions, President Yang said: "China has always advocated an overall prohibition and complete destruction of nuclear weapons, and held that in this regard the United States and the Soviet Union, which possess the largest nuclear arsenals, have special responsibility. We welcome the recent proposals by the United States and the Soviet Union to cut their nuclear stockpile." President Yang said: The cuts announced by the United States and the Soviet Union are not big and are only a meager portion of their nuclear arsenals and quite a number of the

nuclear weapons to be cut are obsolete, while both sides have not said they would stop developing new nuclear and space weapons. In order to attain the lofty goal of an overall prohibition and complete destruction of nuclear weapons, the United States and the Soviet Union should be the first to stop testing, producing, and deploying nuclear weapons and drastically cut all kinds of nuclear weapons both in and outside their territories, so as to create conditions for convening a broadly based international conference on nuclear arms cuts participated in by all countries possessing nuclear weapons. This is still applicable to today's reality and the international community should make a common effort to urge the United States and the Soviet Union to do so.

Talking about how China views the Middle East peace conference in Madrid and its consequences, President Yang Shangkun said: "The peace conference has just begun, and we will wait and see what results it might bring. We hold that the Middle East issue, which has the Palestinian issue as its core, has lasted for more than 40 years, and a political settlement of the Middle East issue as soon as possible will help ease tension and promote economic development in the region. We hope the ongoing Middle East peace conference will produce positive results based on the relevant United Nations resolutions and push for a comprehensive, just, and reasonable settlement of the Middle East issue."

**Visit Termed 'Complete Success'**

*HK0411090, 21 Beijing RENMIN RIBAO  
OVERSEAS EDITION in Chinese 4 Nov 91 p 1*

[Editorial: "Enhancing Understanding, Deepening Friendship, Developing Cooperation—Warmly Hailing President Yang Shangkun's Successful Visit to Pakistan and Iran"]

[Text] President Yang Shangkun's state visit to Pakistan and Iran from 26 October to 2 November has been wound up as a complete success. This is another visit with great significance made by the Chinese president to neighboring countries in Asia. The visit has achieved the goal of enhancing understanding, deepening friendship, and developing cooperation, adding a new chapter to the history of China's strengthening its friendly contacts with Third World countries. We warmly pronounce the complete success of this visit.

Wherever he went during his visit to Pakistan and Iran, from Islamabad to Lahore and from Tehran to Esfahan, President Yang was accorded a warm welcome and ceremonious reception. In Pakistan and Iran, President Yang said to the two countries' respective reporters: The moment I set foot on the soil of your beautiful country, I began to live in a sea of friendship; I have brought with me the Chinese people's friendly feelings toward the people in your country and I shall return with the friendly feelings from the people of your country toward the Chinese people. During his several days' visit, President Yang Shangkun held friendly talks and meetings

with the leaders of Pakistan and Iran. In a very harmonious and sincere atmosphere of mutual understanding, the two sides had a thorough exchange of views on international and regional issues of common concern and on strengthening and expanding bilateral friendship and cooperation, in addition to briefing each other on their respective domestic situations. During the visit, the Chinese side signed an agreement with Pakistan on economic and technical cooperation, and discussed with Iran the issue of China's participation in Iran's postwar reconstruction. President Yang and his retinue also had extensive contacts with people from various circles in both countries, thus enhancing the Chinese people's friendship with the Pakistani and Iranian peoples.

Pakistan and Iran are both friendly neighboring countries. The friendly contacts between China and the two countries have a long history with many touching stories. Since the founding of New China, especially since China established diplomatic relations with Pakistan and Iran, the traditional friendship has made great strides. The frequent exchanges of visits between the Chinese and Pakistani leaders are like relatives visiting each other, and contacts between the Chinese and Iranian leaders have also been constantly expanding in recent years, upgrading and deepening the existing profound friendship between China and the two countries. During the visit, President Yang Shangkun and the leaders of the two host countries expressed satisfaction over the healthy development of the relationships between China and the two countries and praised their friendship for withstanding the test of time and adverse circumstances. The leaders of the three countries agreed that developing their bilateral relations not only conforms to the wishes of their peoples, but is also conducive to the peace and stability in this region.

China, Pakistan, and Iran are Third World countries, sharing a broad consensus on international issues and facing common tasks in economic development and national revitalization. Pakistan and Iran are major countries in their region. In the present complex and changeable international situation, President Yang Shangkun's successful visit to Pakistan and Iran not only vividly reflects the sincere and profound feelings of the governments and peoples of Pakistan and Iran toward China, but also eloquently demonstrates that Third World countries are the sincere friends of the Chinese people and that the Five Principles of Peaceful Coexistence are imbued with strong vitality and are the correct norm of international relations that have withstood the test of practice.

Developing friendly relations and cooperation with our country's neighbors as well as with Third World countries constitutes a fundamental part of our country's foreign policy. We appreciate the unremitting efforts made by Pakistan and Iran to seek a just solution to the Afghanistan issue; and we assess highly the important roles that Pakistan and Iran have been playing in maintaining regional peace and stability and in developing regional cooperation.

Peace and development are the world's two main topics at present. Currently, a profound change is taking place in the international situation; the world is in a period of turbulence and constant change in which the old pattern is being replaced by the new; the imbalance of international forces has given rise to many new contradictions; hegemonism and power politics have begun to emerge again; and the gap between North and South has become even more conspicuous. How to establish a new international political and economic order has become a question of common concern for the people of all countries. President Yang Shangkun and the leaders of Pakistan and Iran agreed that a new international political and economic order should be established on the basis of mutual respect for sovereignty and territorial integrity, mutual nonaggression, mutual noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. All countries, big or small, weak or strong, poor or rich, should be equal; they should refrain from interfering in each other's internal affairs; and each country has the right to determine its own political and economic system in accordance with its national conditions. This should be the principal content of the new order. The leaders of the three countries expressed their readiness to work for the establishment of a peaceful, stable, just, and rational new international order.

President Yang Shangkun achieved great successes in his visit to Pakistan and Iran. It embodies China's spirit of strengthening unity and cooperation with Third World countries. As can be predicted, this visit is bound to open a new page in China's friendly relations and cooperation with Pakistan and Iran.

## West Europe

### German Minister at Economic Cooperation Talks

Interviewed by XINHUA

OW0611074091 Beijing XINHUA Domestic Service  
in Chinese 0722 GMT 4 Nov 91

[By reporters Na Fucai (6719 4395 2088) and Zhang Baoqing (1728 1405 7230)]

[Text] Bonn, 3 Nov (XINHUA)—German Minister for Economics Moellmann believes that there are great prospects for German-Chinese economic cooperation.

Mollemann was interviewed by XINHUA reporters on 2 November while attending a congress of the Liberal Democratic Party of Germany in Suhl.

He said that after meeting with visiting Chinese Vice Premier Zou Jiahua in Germany recently, he would discuss further with Chinese leaders in Beijing the resumption, improvement, and eventual strengthening of German-Chinese ties and cooperation in the trade and economic fields.



He said: As the Germans have a great interest in participating in China's enterprise modernization and infrastructure construction, the two countries may cooperate closely in these fields.

Moellemann said that the traditionally close economic cooperation between Germany and China has now been revived after a halt. He said that Germany is ready to continue its cooperation with China in the transfer of technology and business administration experience as well as in setting up joint business ventures.

Moellemann said: "Being a big country that has a population of over one billion, China is a huge market. This market is very attractive to German enterprises."

Mollemann will begin his visit to China tomorrow. He is the first economics minister of the reunited Germany to visit China.

### Session Opens in Beijing

OW0611085891 Beijing XINHUA in English  
0841 GMT 6 Nov 91

[Text] Beijing, November 6 (XINHUA)—The Plenary Seventh Session of the Sino-German Joint Commission of Economic Cooperation opened in Beijing this morning.

Chinese minister of foreign economic relations and trade, Li Lanqing, and German federal minister of economics, Juergen Moellemann, co-chaired the plenary session.

In his opening speech, Li said the two sides will explore chances for expanding bilateral trade and strengthening cooperation at the session.

Li said the session is expected to inject vigor into bilateral economic relations and trade.

Moellemann said the session is a continuation of the two countries' economic cooperation and is also a new beginning. He expressed belief that the meeting will promote bilateral economic relations and trade.

The two ministers held talks before the opening of the session.

### Ties 'Linked' to Human Rights

LD0611102891 Berlin ADN in German 0230 GMT  
6 Nov 91

[Text] Beijing (ADN)—The Seventh Session of the Sino-German Joint Commission for Economic Cooperation opened in Beijing on Wednesday. According to Li Lanqing, PRC minister of foreign economic relations and trade, the PRC hopes for an expansion of economic and trade relations with its largest European partner.

Federal Economics Minister Juergen Moellemann made it clear before the conference that progress in relations is closely linked to improvements in the human rights situation in China. "Over the last few years the realization that human rights have universal validity has been accepted in the world," Moellemann said at a reception

in Beijing. "They can no longer be marginalized by arguments about noninterference in the internal affairs of other countries," he asserted. The minister called upon China to join the UN Human Rights Convention.

### Li Tiejing Meets German Economic Adviser

OW0311123791 Beijing XINHUA in English  
1227 GMT 3 Nov 91

[Text] Beijing, November 3 (XINHUA)—Chinese State Councillor and Minister in Charge of the State Education Commission Li Tiejing talked about Sino-German cooperation with Dr. Karl Bock, advisor to the German Ministry of Economic Cooperation, here today.

Bock has been an advisor to the Chinese State Education Commission on professional training since 1989.

Since his arrival in China on October 25, Bock has inspected educational cooperation projects between China and Germany in Tianjin, Shanghai and Hangzhou.

### German Industrialist Meets Jiang Zemin 28 Oct

OW2810134791 Beijing XINHUA in English  
1246 GMT 28 Oct 91

[Text] Beijing, October 28 (XINHUA)—Chinese Communist Party General Secretary Jiang Zemin today praised the Siemens Company for its "long-term, comprehensive and systematic cooperation" with China.

Jiang made the comment at a meeting with Karlheinz Kaske, chairman and managing president of Siemens, at the Diaoyutai State Guesthouse.

Jiang expressed the hope that such mutually beneficial cooperation would continue to flourish and bear more fruit.

He also praised Kaske for his long efforts in pushing forward the cooperation.

Kaske, who has visited China many times and is to retire next year, told Jiang that Siemens wants to expand its cooperation with China in many fields.

Kaske and his colleagues, who arrived here on Saturday, are scheduled to have more discussions with Chinese officials on the possibilities for expanding cooperation and to attend an inauguration for an International Telephone Switchboard Company in Beijing.

### 'Long-Term' Ties Envisioned

HK3010044791 Beijing CHINA DAILY in English  
30 Oct 91 p 2

[By staff reporter Zhang Yuan: "Old Friend Reaffirms Interest in New Deals"]

[Text] Siemens AG, a large international electronics engineering firm, yesterday reaffirmed its decision to "actively develop long-term co-operative ties with China" in the future.

The company is currently negotiating with Chinese partners about starting joint ventures in medical engineering and private communication systems, Karlheinz Kaske, president and chief executive officer of Siemens AG, announced in Beijing.

Kaske participated in the opening ceremony here for the Beijing International Switching System Corporation Ltd (Bisc), a \$25.5 million Sino-German joint venture co-funded by Siemens AG and three Chinese partners.

Joachim Frauendienst, Bisc general manager, said the joint venture will, by 1995, eventually produce 600,000 lines for digital telephone switching systems. Already, 18 customers from six Chinese provinces have ordered 200,000 lines, Frauendienst affirmed.

#### Potential

Siemens wants to set up more joint ventures in China because "the potential of the Chinese market and its geographic location are of enormous importance," Kaske said.

"I am optimistic about the future of our business in China and I believe our investment in China will be increased further."

In the past fiscal year alone, Kaske said, Siemens invested about \$40 million in China and its annual business volume in the country has reached 350 million deutsche marks (\$205.88 million).

Kaske also emphasized that China is by no means a new partner for Siemens; the German company first started doing business here more than one hundred years ago.

In 1872, it provided China with a pointer telegraph system, one of the most advanced telegraph machines at that time.

Siemens first opened its Beijing office in 1982 with only four employees; now it has offices in Shanghai, Guangzhou and Dalian in Liaoning Province.

In 1985, Siemens signed a memorandum with China, which paved the way for a long-term industrial partnership, especially tailored to provide Chinese industry with modern technologies, Kaske said.

#### Li Ruihuan Meets Head of German Business Group

OW2910114991 Beijing XINHUA in English  
1102 GMT 29 Oct 91

[Text] Beijing, October 29 (XINHUA)—Li Ruihuan, Standing Committee member of the Political Bureau of the Chinese Communist Party (CPC) Central Committee, met here this afternoon with Klaus Bruckner, chairman of the Advisory Board of the Germany-China Business Association.

Li and Bruckner had a cordial conversation on the development of Sino-German economic and technological cooperation.

Li said that a country must introduce the advanced science and technology in the world so as not to lag behind.

Therefore, he said, China must keep opening to the outside world and actively carry out cooperation with foreign countries, while adhering to self-reliance.

China's policy of focusing on economic construction will remain unchanged, and so will be the reform and open policy. In fact, he said, reform and opening will be conducted in an even better way, with bigger steps.

#### Spanish Judicial, Legislative Delegations Visit

##### Court Head Meets Ren Jianxin

OW3110180491 Beijing XINHUA in English  
1155 GMT 31 Oct 91

[Text] Beijing, October 31 (XINHUA)—Ren Jianxin, president of China's Supreme People's Court, met with Pascal Sala Sanchez, president of the Spanish General Council of Judicial Power and Supreme Court of Justice, and his party at the Great Hall of the People here this evening.

During the meeting, Ren and the visitors had a cordial and friendly conversation.

Sala and his party arrived here today at the invitation of the Supreme People's Court. Besides Beijing, the Spanish guests will also visit Xian, Hangzhou and Shanghai.

##### Parliamentarians See Wan Li

OW0311123691 Beijing XINHUA in English  
1222 GMT 3 Nov 91

[Text] Beijing, November 3 (XINHUA)—Chairman Wan Li of the National People's Congress (NPC) Standing Committee had a 40-minute conversation on Sino-Spanish relations with a delegation from the Spanish Congress of Deputies led by its President Felix Pons here tonight.

Speaking of the traditional friendship between the Chinese and Spanish people, Wan said that China hopes to further its political, economic and cultural ties with Spain. The NPC also wants to have more exchanges with its Spanish counterpart.

He pointed out that stronger ties between China and Spain are important to the maintenance of peace and stability in the world, adding that China also wants to further its relations with the other member countries of the European Community.

Wan Li asked the visitors, who arrived earlier today, to see more of China during the visit so as to have a deeper understanding of China.

Pons noted that there have been good relations of mutual respect and cooperation between Spain and China and the two sides should push such a relationship forward. He said that there are strong forces in Spain which want to have more political and economic ties with China.



People in Spain have great interest in the efforts China has made in economic development and social progress and are convinced that China will play a greater role in international affairs, Pons said.

He expressed the hope that the talks tomorrow between his delegation and the Chinese hosts will help find new ways to form stronger ties between the two law-making bodies in Spain and China.

After the meeting, Wan Li hosted a dinner in honor of the visitors, which was also attended by NPC Vice-Chairman Ni Zhifu.

The delegation is scheduled to tour Xian, Guangzhou and Zhuhai.

#### **'Working Talks' With Ni Zhifu**

OW0411073791 Beijing XINHUA in English  
0648 GMT 4 Nov 91

[Text] Beijing, November 4 (XINHUA)—Vice-Chairman Ni Zhifu of the Chinese National People's Congress Standing Committee held working talks with a delegation from the Spanish Congress of Deputies led by its President Felix Pons here this morning.

They briefed each other on their respective parliaments and agreed to further promote the friendly ties between the two countries and the two parliaments in particular.

#### **Delegations Received by Li Peng**

OW0511135891 Beijing XINHUA in English  
1249 GMT 5 Nov 91

[Text] Beijing, November 5 (XINHUA)—Chinese Premier Li Peng met here today with a group of Spanish parliamentarians led by Felix Pons, president of the Congress of Deputies, and Pascal Sala Sanchez, president of the Spanish General Council of Judicial Power and Supreme Court of Justice.

Li, noting that China and Spain have enjoyed good relations for a long time, expressed the hope that the visit of the Spanish guests will usher in more exchanges with their counterparts in China and help promote Sino-Spanish relations as a whole.

Li said that there is great potential for Sino-Spanish economic and technical co-operation and he hoped for an expansion of such co-operation.

With the support of the Spanish Government, Li said, co-operation in the petrochemical industry has yielded impressive results, although the number of such co-operative projects is not big.

He expressed the conviction that more Spanish businessmen will launch joint ventures or solpuwned [as received] firms in China. China will extend preferential treatment to them, he added.

He further pointed out that there is no fundamental conflict of interest between China and the Western

European countries. Therefore, they have no reason not to be friendly to each other.

"China believes that in future world development Western Europe will emerge as an important force in the maintenance of world peace," he said.

Li told the visitors that experience over the past decade and more shows that the reform and open policy is correct, and China will firmly move forward along this line.

He explained that the ongoing reform in China is aimed at improving the socialist system, and the policies of reform and opening to the outside world need a peaceful international environment and a stable political situation in China. Stability is of paramount importance, he stressed.

Pons said that the visit to China by two important Spanish delegations at the same time shows that the two countries have very good relations.

He and Sala agreed that it is very important for Spain and China to further their bilateral relations. The Spanish parliament and the judicial organs will work hard for this goal, they added.

Present at the meeting were Ni Zhifu, vice-chairman of the Standing Committee of the Chinese National People's Congress, and Ren Jianxin, president of the Chinese Supreme Court.

#### **Qian Qichen Meets With Jacques Chirac 2 Nov**

OW0211061491 Beijing XINHUA in English  
0553 GMT 2 Nov 91

[Text] Beijing, November 2 (XINHUA)—An independent China in Asia and an independent France in Europe will play important roles in maintaining the balance of power, peace and stability in the world.

Qian Qichen, Chinese state councillor and foreign minister, said this in a meeting with former French Prime Minister Jacques Chirac here this morning.

During the meeting, Qian said that both China and France boast long histories and rich cultures. They have much in common, he noted.

The two countries uphold independent foreign policies, Qian added, saying that China attaches great importance to Sino-French relations.

Qian said that in the current changing world some changes can be predicated, but some can not. Under such circumstances friendly ties of co-operation between China and France will be conducive to both peoples and to world peace and stability.

Chirac said that China's economy is growing rapidly. China should play a greater role, especially in world politics, in the new international situation.

He stressed that China's role in this respect is of key importance.

During the meeting the two sides also exchanged views on major international issues.

#### **Chirac Addresses Institute**

OW0411122091 Beijing XINHUA in English  
1046 GMT 4 Nov 91

[Text] Beijing, November 4 (XINHUA)—Former French Prime Minister Jacques Chirac, now mayor of Paris, gave a speech on the international situation and French-Chinese relations at the Institute of Foreign Affairs here today.

After that, Chirac and his party left here for a visit to Xian.

#### **Zhu Rongji Receives French Provincial Delegation**

OW0211040191 Beijing XINHUA in English  
1320 GMT 1 Nov 91

[Text] Beijing, November 1 (XINHUA)—Chinese Vice-Premier Zhu Rongji met with principal members of a delegation led by First Vice-Chairman Alain Merieux of the Rhone-Alpes region of France here today.

Delegation is composed of people from the economic, trade, scientific, technological and educational circles of the Rhone-Alpes region.

During the meeting, Zhu expressed the hope that the Rhone-Alpes region would expand exchanges and cooperation with various areas in China.

The delegation came here at the invitation of the municipal government of Shanghai. Chen Haosu, vice-president of the Chinese People's Association for Friendship With Foreign Countries, was present at the meeting.

#### **CPPCC Delegation Departs for Austrian Visit**

OW2710022791 Beijing XINHUA in English  
0138 GMT 27 Oct 91

[Text] Beijing, October 27 (XINHUA)—A five-member delegation of the Chinese People's Political Consultative Conference (CPPCC) left here for Austria on a visit at the invitation of the Federal Assembly of Austria.

The delegation is headed by Song Demin, member of the Standing Committee and secretary-general of the CPPCC National Committee.

#### **'Roundup' on Commonwealth Summit, Cyprus Problem**

OW2310223691 Beijing XINHUA in English  
1550 GMT 23 Oct 91

["Roundup" by Cheng Dechang: "Cypriot President Back From Commonwealth Summit With Targets Fulfilled"—XINHUA headline]

[Text] Nicosia, October 23 (XINHUA)—President Yeoryios Vasiliou returned to the island from Harare, Zimbabwe, late Tuesday night from the 11th Commonwealth

Heads of Government Meeting (CHOGM), with his targets set for the summit fulfilled.

President Vasiliou's trip to Harare, where he took part in the CHOGM which was held between October 16 and 22, had two main objectives.

The first is to have constructive talks on the Cyprus problem with a number of heads of government, and the second to secure a strong resolution on Cyprus.

Among the most important meeting Vasiliou had in the Zimbabwean capital on the sidelines of the commonwealth meeting was with British Prime Minister John Major.

During the talks, which Vasiliou described as "extremely useful and interesting," the Cypriot president and British prime minister discussed the latest developments on the Cyprus issue and the latest U.N. Security Council Resolution 716 concerning the question.

In a statement to the semi-official CYPRUS NEWS AGENCY (CNA) after the one-and-half-hour meeting, Major expressed hope that an international conference and a settlement to the Cyprus problem could take place soon.

"It is our very clear view that the settlement is in the interests of everyone who lives on the island of Cyprus, the sooner the better," he was quoted as saying.

"We all want to see a satisfactory solution to the problem, we very strongly support the moves by the U.N. secretary-general to that effect," Major added.

During his meeting with Prime Minister Nawaz Sharif of Pakistan, Vasiliou briefed the Pakistani premier on all aspects of the Cyprus problem. He said afterwards that their meeting was very friendly.

Pakistan, which plays an important role in the Islamic world and the non-aligned movement, also has special relations with Turkey.

Vasiliou also met with leaders of New Zealand, Malaysia, Namibia, Malta and other countries.

According to CNA, the Cyprus issue dominated all those meetings.

A resolution on Cyprus was adopted at the end of the commonwealth summit.

It called for removal of all obstacles blocking a Cyprus peace conference and withdrawal of "all foreign troops and colonial settlers" from Cyprus, an apparent reference to Turkey, which has some 35,000 troops stationed in northern Cyprus, together with about 80,000 Turkish settlers.

In the resolution, the commonwealth leaders reiterated their support for the independence, sovereignty, territorial integrity, unity and non-aligned status of the Republic of Cyprus.

The commonwealth heads of government also agreed that the commonwealth action group on Cyprus should

continue to monitor developments within the scope of its terms of reference including, in particular, assistance for the efforts of the U.N. Secretary-General Javier Perez de Cuellar to solve the Cyprus question.

Local observers held that the resolution bears special significance in view of the latest U.N. security resolution and a new round of talks by U.N. envoys due for early next month.

The decision to entrust Cyprus to host the 1993 CHOGM has been regarded as another diplomatic victory scored by Vasiliou's trip to Harare.

A Cypriot Government spokesman described it as "an important international success, which is a result of President Teoryios Vasiliou's intense activities in Harare."

Political observers viewed the decision "as a clear message of the group's desire to see the Cyprus problem resolved and keep Cyprus in a unified state."

## East Europe

### Bulgarian Defense Minister, Party Visit Beijing

#### Qin Jiwei Hosts Dinner

OW2610133091 Beijing XINHUA in English  
1253 GMT 26 Oct 91

[Text] Beijing, October 26 (XINHUA)—Bulgarian Defense Minister Senior General Yordan Mutafchiev and his party were honored at a dinner hosted here today by General Qin Jiwei, Chinese state councillor and defense minister.

The guests arrived in Beijing yesterday on a visit at the invitation of General Qin.

This morning, general presided over a ceremony to welcome Senior General Mutafchiev who, accompanied by General Qin, reviewed a guard of honor composed of officers and men of the three services of the Chinese People's Liberation Army.

The two defense ministers held talks this afternoon.

#### Meeting With Chi Haotian

OW2710073891 Beijing XINHUA in English  
0718 GMT 27 Oct 91

[Text] Beijing, October 27 (XINHUA)—General Chi Haotian, chief of general staff of the Chinese People's Liberation Army (PLA), met with visiting Bulgarian Minister of National Defence Senior General Yordan Mutafchiev and his party here today.

General Chi had a friendly conversation with the Bulgarian guests.

#### Received by Wang Zhen

OW3010125991 Beijing XINHUA in English  
1215 GMT 30 Oct 91

[Text] Beijing, October 30 (XINHUA)—Chinese Vice-President Wang Zhen met with visiting Bulgarian Defense Minister Senior General Yordan Mutafchiev and his party here today.

Extending a warm welcome to Mutafchiev, who is the first Bulgarian defense minister to visit China in 30 years, Wang said, "Your current China visit is a success and I congratulate you on this."

The peoples and armed forces of the two countries, Wang went on, have enjoyed traditional friendship and China hopes the friendly ties can be promoted.

He said that increased contacts between the leaders of the two armed forces testify to the friendly relations of the two countries and their armed forces.

Wang told Mutafchiev that Mao Zedong, the first-generation leader of the Chinese Communist Party (CPC), enjoyed high prestige among the Chinese people and their Armed Forces and the second- and third-generation CPC leaders Deng Xiaoping and Jiang Zemin also have high prestige.

When Deng Xiaoping worked out the reform and open policy, he stressed that the four cardinal principles, which are essential to China, must be abided by, Wang said.

During the meeting, Mutafchiev conveyed regards from Bulgarian President Zhelyu Zhelev to Chinese President Yang Shangkun and Vice-President Wang Zhen. Zhelev expressed the wish that the Chinese people and the Chinese People's Liberation Army score new achievements. He also expressed the hope that contacts between the two countries and their armed forces be expanded.

He said that the leaders of the Bulgarian Government and Armed Forces hold China's foreign policy of peace and friendship in high esteem. This policy will continue to promote friendly ties between China and the rest of the world, he added.

Chinese State Councillor and Defense Minister, General Qin Jiwei, was present at the meeting.

#### Acting Yugoslav Minister Meets Li Lanqing

OW3110025091 Beijing XINHUA in English  
0224 GMT 31 Oct 91

[Text] Beijing, October 31 (XINHUA)—Li Lanqing, Chinese minister of foreign economic relations and trade, met here this morning with Bozidar Jovanovic, acting federal secretary for external economic relations of Yugoslavia.

They exchanged views on bilateral economic relations and other issues.

Jovanovic arrived in Beijing Wednesday as Li's guest.



### **Speaks With Qian Qichen**

*OW0111034491 Beijing XINHUA in English  
0254 GMT 1 Nov 91*

[Text] Beijing, November 1 (XINHUA)—Chinese State Councilor and Foreign Minister Qian Qichen met here today with Bozidar Jovanovic, acting federal secretary of foreign economic relations of Yugoslavia.

They had a friendly conversation on the bilateral relations and other issues.

Jovanovic arrived in China Monday as guest of Li Lanqing, minister of foreign economic relations and trade.

### **Further on Qian Meeting**

*LD0111142491 Belgrade TANJUG Domestic Service  
in Serbo-Croatian 1318 GMT 1 Nov 91*

[Text] Beijing, 1 Nov (TANJUG)—In the course of talks with the acting federal secretary for economic relations with foreign countries, Bozidar Jovanovic, PRC Foreign Minister Qian Qichen today voiced concern over developments in Yugoslavia and stressed that it was most important now to establish peace in the country.

Qian Qichen, who reiterated his government's stand, said that the Yugoslav nations ought to find a solution in peaceful conditions themselves and that the international community ought to assist such efforts without interfering.

Qian Qichen—who received Jovanovic at the end of the latter's visit to China, during which he had talks in several Chinese foreign trade institutions—talked about the situation in Yugoslavia within the European context and bearing in mind changes in Europe, which occurred in the last year and a half.

### **Yugoslav Foreign Minister Receives Ambassador**

*OW0411134291 Beijing XINHUA in English  
1302 GMT 4 Nov 91*

[Text] Belgrade, November 4 (XINHUA)—Yugoslav Foreign Minister Budimir Loncar held talks today with Chinese Ambassador Zhang Dake on the international issues of common concern.

During the meeting, Loncar also briefed the Chinese guest on the current situation in Yugoslavia.

### **'Roundup' Assesses Worries Over Yugoslav Crisis**

*OW2510044091 Beijing XINHUA in English  
0409 GMT 25 Oct 91*

['Roundup': "Grim Winter Awaits Yugoslavia"]

[Text] Belgrade, October 24 (XINHUA)—As late autumn sets in, Yugoslavs have been worrying about whether their basic needs for materials will be secured in coming winter.

Heating is the top concern. Large numbers of Yugoslav families installed kerosene heating systems since 1960s, but as the oil pipelines were cut due to the escalation of civil war, people were not sure of the kerosene supply in the months to come.

"Nobody would predict the future. To us, anything can happen," a housewife in Belgrade said.

Moreover, since some highways and railways leading to major cities were damaged by the armed conflicts, those who counted on coal heating would not be optimistic either.

The cut-off of pipelines linking the Adriatic Sea and refineries in-land has caused a loss of 250 million U.S. dollars.

Refuelling has become no easy job, cars queue outside of gas stations and could wait for as long as 10 hours for gas.

The coming winter will be the grimmest for Yugoslavs in 40 years, some economists asserted.

Despite a series of ceasefire agreements, there is still no sign of a halt to the four-month-old war that has brought disastrous consequences to the country's economy.

Price hike is rampant, inflation soared by 200 percent by the end of this year, and it is to break the 1989 record of 2,665 percent in 1992, according to Federal Deputy Commerce Minister Branko Maricic.

The civil war is costing huge amount of money, and federal and republican authorities are just issuing dinars that are devaluating rapidly due to lack of material support, Maricic told press on Tuesday.

"Lunatic rise" is the term Belgrade dwellers used to describe the price hike. In recent weeks, prices jumped three to four folds in certain shops. Statistics said in Belgrade, the country's capital, prices of 4,800 commodities increased from 20 to 100 percent in the past single week.

This year registered the most serious drop in industrial production in Yugoslavia. Compared with the same period last year, the production plummeted by 17.3 percent in the first eight months, by 23.8 percent in September and over 50 percent by the end of the year.

Loss-incurring enterprises have hit all time high. Half of the workers are employed in such enterprises, official statistics said.

A large number of enterprises operated under capacity, hence their failure to pay wages to workers in time. The country's trade unions have expressed their wrath for many workers can only get the minimum wages and some could not even take a single penny from the enterprises they served in the past few months.

Experts have made a pessimistic estimate that almost 40 percent of citizens in the country are living under the poverty line.



Tourism is suffering too. Armed conflicts scared foreign tourists away from the Balkan state with the advantage of unique natural scenery and long coastlines.

"It is quite natural. Nobody would vacation in a place where one could be blown up at any time," a tourist official said.

### Latin America & Caribbean

#### Qian Qichen Marks Anniversary of Peruvian Ties

OW0211131191 Beijing XINHUA in English  
1145 GMT 2 Nov 91

[Text] Beijing, November 2 (XINHUA)—Peruvian Ambassador to China Roberto Villaran Koechlin held a reception here today to celebrate the 20th anniversary of the establishment of Peruvian-Chinese diplomatic relations.

Among the 200 Chinese present were Qian Qichen, Chinese state councillor and foreign minister.

#### Reception in Lima

OW0111130191 Beijing XINHUA in English  
0235 GMT 1 Nov 91

[Text] Lima, October 31 (XINHUA)—Chinese Ambassador to Peru Dai Shiqi gave a reception here today to observe the 20th anniversary of the establishment of diplomatic relations between the People's Republic of China and Peru.

Among the some 200 Peruvian guests who attended the reception were first Vice-President Maximo San Roman, President of the Senate Felipe Osterling Parodi, President of the Chamber of Deputies Roberto Ramirez de Villar, the foreign minister's representative Alejandro Gordillo and ex-Presidents Fernando Belaunde Terry and Morales Bermudez.

The reception proceeded in a warm and friendly atmosphere.

#### Visa Exemption Agreement Signed With Peru

OW0211130691 Beijing XINHUA in English  
1232 GMT 2 Nov 91

[Text] Beijing, November 2 (XINHUA)—China and Peru reached a supplement agreement here today to expand the scope of visa exemption between the two countries, according to the Chinese Foreign Ministry.

Chinese Deputy Foreign Minister Xu Dunxin and Peruvian Ambassador to China Roberto Villaran Koechlin signed an agreement to this effect on behalf of their respective governments.

Under the supplement agreement, which will become effective December 1, 1991, mutual visa exemption will cover the Chinese citizens holding valid service passports or public ordinary passports and the Peruvian citizens holding valid special passports.

The original agreement, signed June 16, 1987, restricted the exemption to citizens holding diplomatic passports.

#### Wang Hanbin Meets Peruvian Legislators 28 Oct

OW2810125591 Beijing XINHUA in English  
1146 GMT 28 Oct 91

[Text] Beijing, October 28 (XINHUA)—Wang Hanbin, vice-chairman of China's National People's Congress Standing Committee, met with a delegation from the Chamber of Deputies of Peru, headed by member of the chamber Jorge Baca Luna, at the Great Hall of the People here this evening.

The host and the guests had a friendly conversation during the meeting.

The delegation, consisting of members of the chamber from five political parties in Peru, is here to learn more about the achievements China has made in the course of reform and opening to the outside world, and the country's experience in building economic zones, absorbing foreign funds, and developing science, technology and tourism.

The visitors are here as guests of the International Liaison Department of the Chinese Communist Party Central Committee.

Following the meeting, Wang hosted a dinner for the guests.

#### Text of 19 Oct Joint Communiqué With Columbia

HK2410071691 Beijing RENMIN RIBAO  
in Chinese 20 Oct 91 p 4

[Xinhua report: "China, Colombia Issue Press Communiqué on Jaramillo's Visit to China"]

[Text] Beijing, 19 Oct (Xinhua)—A press communiqué was released today by China and Colombia on the occasion of the official visit to China by Colombia's President designate and Foreign Minister Luis Fernando Jaramillo. The full text of the press communiqué is as follows:

Upon the invitation of Qian Qichen, state councillor and foreign minister of the PRC, President-designate and Foreign Minister Luis Fernando Jaramillo of the Republic of Colombia made an official visit to the PRC from 14 to 18 October 1991.

During his visit, President-designate and Foreign Minister Jaramillo met separately with PRC President Yang Shangkun and NPC Standing Committee Chairman Wan Li. He also held sincere and constructive talks with State Councillor and Foreign Minister Qian Qichen.

The two foreign ministers exchanged views on issues of common interest, particularly on bilateral relations and the current international situation, in a warm atmosphere which reflected the extremely friendly ties between the two countries.

In view of the importance of a new international political and economic order, the Chinese side holds that a new

international political and economic order should be founded on the basis of the five principles of mutual respect of sovereignty and territorial integrity, mutual non-aggression, mutual non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. Because these principles are also the principles persistently abided by in the Colombian foreign policy, the Colombian side expressed its support of China's stand and reiterated the need to establish a just, fair, and peaceful new international order.

The two sides were pleased to see that, as a political consultative and mediating mechanism in Latin America, the Rio Group, which counts Colombia as a member as well as the current mediating country, is playing an important role in promoting unity and cooperation among Latin American countries, boosting development toward integration, fostering peace and stability in the region, as well as coordinating the positions of Latin American countries on international issues.

The two sides viewed with pleasure the development in bilateral relations over the past 11 years since China and Colombia established diplomatic relations and express their satisfaction with their cooperation in the political, economic, trade, scientific and technological and cultural fields. The two sides also discussed ways to expand such cooperation. To this end, they agreed to hold the third Sino-Colombian joint economic and trade conference as soon as possible. Furthermore, with a view to promoting the development of trade between the two countries, the Colombian side indicated its willingness to push for a visit to China by a private Colombian businessmen's delegation in the first quarter of next year. The Chinese side expressed its appreciation of this proposal.

Foreign Minister Jaramillo stressed the importance of coffee exports to Colombia's foreign trade and expressed the hope that coffee exports to the PRC may be increased. Meanwhile, the Chinese side agreed to explore the possibility of increasing Colombian coffee exports.

The Colombian side expressed its satisfaction with the invaluable cooperation provided by Chinese engineering firms in the endeavors to modernize Colombia's ports and dredge its waterways.

Colombia reiterated the principles guiding the establishment of diplomatic relations with China and upheld the one-China stand, that is, the government of the PRC is the sole legitimate government of all China. It supports China's position on restoring its status in the GATT. To this, the Chinese side expressed its appreciation of this stand of the Colombian government.

China and Colombia also informed each other of their respective domestic situations. The Chinese side expressed its pleasure over Colombia's achievements in amending its constitution, realizing peace within the country, engaging in an antidrug war, introducing political reforms, and developing its economy. Meanwhile, the Colombian side expressed its appreciation of China's

achievements in economic construction since its implementation of the policy of reform and opening up.

The two sides unanimously pointed out that the Eighth United Nations Conference on Trade and Development, which is to be held in Colombia in February, 1992, represents a rare chance to discuss trade, cooperation, and development from a new angle against the backdrop of the current international situation. The two sides expressed the hope that this conference will contribute to the strengthening of international economic cooperation and especially to the promotion of economic prosperity of developing countries.

The two sides agreed to cooperate actively in all multi-lateral institutions aimed at promoting the development of the Pacific region.

In line with their common aspiration to bolster relations between the two countries, the two sides expressed satisfaction with the exchange of notes on the matter of mutual exemption of visas, and also agreed to sign as soon as possible an agreement on the transfer of technology related to the production of shape coal in Colombia based on drafts already drawn up by the concerned departments from both countries.

President-designate and Foreign Minister Jaramillo conveyed his sincere gratitude to State Councillor and Foreign Minister Qian Qichen for the warm reception and courtesy extended to him by the Chinese government.

#### Former Envoy Views Colombian Policy Toward China

OW3110020591 Beijing XINHUA in English  
0137 GMT 31 Oct 91

[Text] Santa Fe de Bogota, October 30 (XINHUA)—Colombia should adopt a more active policy toward China, which is on its way to transformation, former Colombian Ambassador to China Luis Villar Borda said in an article published in EL ESPECTADOR here today.

Villar Borda said the trade relations between the two countries are still young, but their prospects are positive and units that have been creating a stimulating cooperation will become an important favorable factor.

He said that some Colombian products such as banana have already gained a stable access to the Chinese market and that Colombian coffee is beginning to find an outlet there. However, one cannot limit trade to traditional products. New, unexplored grounds must also be found, he added.

Economic links should not be limited to trade, Villar Borda cautioned, they should be extended to technical cooperation, infrastructural labor, engineering, etc., as has been done to a noticeable extent.

Villar Borda noted that China has given Colombia an efficient service in hydraulic engineering, beach fortification, river dredging and port renovation.

Agreements of technical cooperation in such fields as the cultivation and industrialization of silk worms, bamboo and sea products have already yielded positive results for the Colombian economy, Villar Borda said.

Cultural exchanges have allowed the two countries to draw closer, he said, adding that there is still a lot to be done in this respect.

Finally in the article, Villar Borda stressed that it is important for Colombia to give greater attention to Chinese and Asian studies and the training of experts on China and Asia, as this area of the world is growing in strength in an international context, especially in this age when economic competition is substituting military confrontation.

#### **Argentina's Menem Supports GATT Membership Bid**

OW0111053891 Beijing XINHUA in English  
0238 GMT 1 Nov 91

[Text] Buenos Aires, October 31 (XINHUA)—Argentine President Carlos Saul Menem said here today his government supports China's need to regain its signatory status to the General Agreement on Tariffs and Trade (GATT).

Menem made this remark when he met with Chinese Ambassador Li Guoxin today.

#### **CPC Delegation Concludes Visit to Bolivia**

OW2610105291 Beijing XINHUA Domestic Service  
in Chinese 0806 GMT 25 Oct 91

[Text] Lima, 24 Oct (XINHUA)—According to a dispatch from La Paz: The CPC delegation headed by Li Shuzheng, alternate member of the CPC Central Committee and deputy head of its Department of International Liaison, concluded its visit to Bolivia and proceeded to Uruguay today.

Hugo Banzer, leader of the Nationalist Democratic Action [ADN] and former president of Bolivia, met with the CPC delegation in Santa Cruz yesterday.

He told Li Shuzheng that the CPC delegation's visit will further promote the development of friendly relations already existing between the ADN and CPC, the two countries, and the two peoples.

The CPC delegation arrived in La Paz on 20 October on a friendly visit to Bolivia at ADN's invitation. On the same evening, Fortun, speaker of the Bolivian Senate and ADN deputy chief, met with the CPC delegation and hosted a dinner in its honor. The host and the visitors exchanged views on Sino-Bolivian relations and on issues of mutual concern.

During the visit, the CPC delegation also had separate meetings with leaders of major political parties, such as the ruling Movement of the Revolutionary Left and the Free Bolivia Movement.

#### **'Roundup' Views Reemergence of Nicaraguan Contras**

OW2610213891 Beijing XINHUA in English  
1933 GMT 26 Oct 91

["Roundup" by Wang Shubai: "Social Stability in Nicaragua Challenged"]

[Text] Managua, October 26 (XINHUA)—Nicaragua's newly-found peace is challenged as the demobilized ex-contras take their arms in the northern mountainous region since last April.

With some 100,000 pieces of weapons in civilians and the newly-mobilized Sandinists armed themselves again, social stability is at stake in this Latin American nation, which has just come out of a civil war.

The government of President Violeta Barrios de Chamorro has taken steps to stabilize the situation and 20,000 ex-contras have abandoned armed struggle while the popular Sandinist Army has been reduced from 80,000 to 20,000 members.

However, as many ex-contras and veterans of the Sandinist Army have not received land and houses promised by the government, the Sandinist Front and the National Union of Opposition are in confrontation with each other over the problem of the allotment of land and housing.

Reports say that the recontras, or newly mobilized ex-contras, number between 600 to 800. They are demanding that the government keep its promise of giving them land and housing and that the Sandinist Army and police retreat from the recontras-controlled areas. They have attacked Sandinist-run agricultural cooperatives and seized arms from the police and the Army on many occasions.

In the meantime, the newly-mobilized Sandinists demand that the government keep its promises. Some of them have remobilized themselves for self-protection from the recontras. There have been confrontations between these two newly-armed groups in some areas.

The situation has a complicated origin. On the one hand, it is true that the demands of the demobilized groups have not been met. On the other hand, some politicians are not comfortable with the Sandinist Army. And most importantly, there are Nicaraguan refugees in Miami and politicians in the country who keep prompting the recontras to some course.

In this context, Minister of Presidency Antonio Lacayo said that some politicians in the country, refugees in Miami and recontras are trying to form a political-economic-military triangle. They do not agree with the government's policies and are trying to replace it, he said.

The government wants to resolve the problem of the recontras through negotiations. Minister of Government Carlos Hurtado has frequently traveled to the north of the country to hold talks with recontra leaders. He has

promised to meet their reasonable demands and urged them to give up illegal activity.

On the other hand, the Sandinist Front finds the problems created by the recontras to be very serious and has called on the government authorities to take action so that the country does not become another Lebanon.

Since October 3, the Sandinist Army and the police have been acting jointly for disarmament of nongovernmental forces under the auspices of the government. Soldiers inspect vehicles on highways to seize illegal arms trafficking.

The Sandinist Army has again occupied Ayote in Chontales Department where the recontras have seized weapons.

As to the arms in civilian hands, the government has worked out a plan of buying them.

Most Nicaraguans, including a number of demobilized recontras, oppose civil war and want peace and stability. However, the resurgence of nongovernmental forces remains a serious problem, whose resolution is an urgent task before the Nicaraguan Government.



## Political & Social

### Deng Initiates New Policy 'Guiding Principle'

HK0611100091 Hong Kong CHING PAO in Chinese  
No. 172, 5 Nov 91 pp 84-86

[Article by Chuang Meng (8369 5536): "Deng Puts Forward New 12-Character Guiding Principle for Internal and Foreign Policies"]

[Text] In the wake of the great changes in Eastern Europe, Deng Xiaoping put forward a 24-character principle for handling international affairs. After the Soviet coup was over, Deng recently put forward a new 12-character principle, namely: "Enemy troops are outside the city wall. They are stronger than we. We should be mainly on the defensive" [bing ling cheng xia, di gang wo ruo, yi shou wei shu 0365 5259 1004 0007, 2420 1730 2053 1726, 0110 1343 3634 0031]. Informed sources say that the "be mainly on the defensive" is geared to implementing the 24-character principle.

In the second half of September, the CPC Central Committee Work Conference announced that the "economic improvement and rectification program" had ended and that reform and opening up were being initiated all over again.

### Deng Puts Forward Principle "Be Mainly on Defensive"

Informed sources in Beijing disclosed that after the Soviet "19 August" coup had failed, the CPC authorities issued a circular to the whole party on a 24-character principle put forward by Deng Xiaoping early this year for handling international affairs, calling it the "central spirit." The principle was "observe calmly; secure our position; cope with affairs calmly; hide our capacities and bide our time; be good at maintaining a low profile; and never claim leadership." Recently, Deng Xiaoping put forward a new 12-character principle for handling domestic and foreign affairs, namely: "Enemy troops are outside the city wall. They are stronger than we. We should be mainly on the defensive." This 12-character principle has only been passed around among high-ranking CPC cadres rather than the whole party. The informed sources said the saying "be mainly on the defensive" is geared to implementing the 24-character principle. That the policy spirit, namely, that "we do not bother ourselves with others outside, nor do we argue with the Soviet Union over views it currently holds but we must state our position clearly inside the party because there is a difference between the inside and outside," has recently been passed around within the party is the embodiment of the new 12-character principle.

The informed sources also said: Since the beginning of the year, Deng Xiaoping has not appeared in public. This is not because "old cadres should not concern themselves too much about matters and should let young cadres have more of a chance to handle them" but because his role as the "chief architect of reform" still has to be brought into play.

Early this year, Deng Xiaoping went to Shanghai, where he vigorously called for the development of Pudong and for a "northern expedition" to emancipate the mind and bring in a new situation of reform and opening up. Later, many setbacks set in but they were finally overcome. At the CPC Central Committee Work Conference called in late September, more attention was finally paid to reform and opening up.

### CPC Central Committee Work Conference Ends "Economic Improvement, Rectification Program"

The CPC Central Committee Work Conference, held from 23 to 27 September in the Jingxi Hotel, in which major responsible persons of central and local party organizations, governments, and the People's Liberation Army participated, emphasized discussing the question of how to further improve large and medium state-owned enterprises. In addition, the conference also made the following decisions: First, the economic improvement and rectification program has ended, while reform and opening up are being initiated all over again; second, strengthen political and ideological work and vigorously strengthen the party.

### Deng Criticizes Economic Improvement, Rectification Program

Between 15 and 21 September 1988, the decision that the "economic environment must be improved and the economic order must be rectified" for the ensuing two years, was made at the CPC Central Work Conference held in the Jingxi Hotel. It was later passed at the Third Plenary Session of the 13th CPC Central Committee, held from 26 to 30 September 1988. The decision pushed aside the proposal on reform of the pricing system put forward that summer and overrode Zhao Ziyang's view on the overheated economy. In fact, Yao Yilin and Li Peng's proposal to "stabilize the economy" defeated Zhao Ziyang's proposal to "step up and deepen reform." After "4 June," Zhao Ziyang withdrew from China's political arena and Li Peng's "economic improvement and rectification program" lasted for three years instead of two. By early 1990, Deng Xiaoping was unable to tolerate the actual results achieved by the program. He then began criticizing it by saying that the "economic work has not been done well." Deng Xiaoping's criticism became more and more severe in 1991. The actual results of the "economic improvement and rectification program" enlarged the portion of losses by state-owned enterprises from 39.7 percent in 1988 to 55.2 percent in 1990. The proportion of profits and taxes turned over by state-owned enterprises to the state in total national income decreased from 61.6 percent in 1988 to 42.7 percent in 1990. Although the figure released at the central work conference was still that from 1988, it became necessary to pay attention to the question of the returns from large and medium state-owned enterprises as China's major economic problem.

This major problem in China's economy reflects the problems in the system of ownership. However, the CPC

authorities regard the socialist system of ownership as the material foundation of the socialist system. Therefore improving large and medium state-owned enterprises is not only an immediate economic problem but also an immediate political one. A RENMIN RIBAO editorial said: "In order to develop the economy, strengthen the political power, maintain stability in society, improve people's living standards, and demonstrate the superiority of socialism, it is necessary to bring into full play the role of large and medium state-owned enterprises." Therefore, "concentrating energies on improving large and medium state-owned enterprises" naturally became a major item for discussion at the CPC Central Work Conference.

#### **Li Peng Absorbs Zhao's "Joint-Stock System"**

At the Central Work Conference in September 1988, in addition to announcing the work emphasis for the ensuing two years, namely "improving the economic environment and rectifying the economic order," Zhao Ziyang also put forward an idea for a five-year reform, which included reform of the pricing system and improving the internal mechanisms in the efficiency of enterprises. He mainly introduced the joint-stock system. He said at that time: "The joint-stock system does not mean privatization but can clearly define property rights. It will be a great improvement for state-owned enterprises." He also said: "China now has roughly the conditions for practicing the joint-stock system. I feel that it is a practical method which is very promising."

Sharp-witted people should already see that Zhao Ziyang's "joint-stock system" was absorbed, as it were, by Li Peng in the report on the draft "Eighth Five-Year Plan" and 10-Year Program. Pressed by extremely heavy financial burdens, the State Council carried out price reform for grain and cooking oil this year. On 7 October, the State Council called the "Second National Work Conference on Housing System Reform." The conference decided that rent for old houses would be raised and new rents for new houses had to be effective from the end of 1991 to early 1992. The Zhao Ziyang policy is surely being pursued without Zhao.

Delegates to the CPC Central Work Conference also concentrated on one other problem, namely, that ending the "economic improvement and rectification program" will inevitably lead to inflation. How to cope with the forthcoming inflation will become another nagging question.

#### **"Bourgeois Liberalization" Has Escalated**

"International hostile forces will never stop using peaceful evolution against us for a single day. Bourgeois liberalization is an internal matching force which they use to carry out peaceful evolution. These kinds of hostile activities constitute a real threat to China's independence, sovereignty, development, and reform. In

other words, peaceful evolution and bourgeois liberalization are aimed not only at overthrowing our socialist system but, fundamentally, at depriving us of our national independence and state sovereignty." This remark was in a speech given by CPC General Secretary Jiang Zemin on 24 September at a meeting commemorating the 110th anniversary of Lu Xun's birth.

The anti-bourgeois liberalization movement sparked by the expulsion of Fang Lizhi, Wang Ruowang, and Liu Binyan in 1987 was aimed at securing stability. It was basically carried out in keeping with the Mao principle of "correctly coping with the people's internal contradictions." At that time, Deng Xiaoping told foreigners publicly: "Fundamentally speaking, opposing bourgeois liberalization is a long-term task." Later, Zhao Ziyang gave an explanation of it, saying: "Modernization requires a period of 50 to 70 years. During this period, the question of people tending toward bourgeois liberalization will always surface." He added: "Now that opposing bourgeois liberalization is protracted, it is impossible to launch a movement. We should mainly use persuasion as an educational method."

After 4 June, in coping with bourgeois liberalization, they abandoned "persuasion as an educational method." Although the method of criticism popular during the "Great Cultural Revolution" was reused, contradictions "between the enemy and us" were still "the people's internal contradictions" and no sharp line was drawn. The fact that Jiang Zemin defined bourgeois liberalization in the mind as the "internal matching force" of "hostile activities," and that he considered its fundamental objective "deprived us of our national independence and state sovereignty," has undoubtedly greatly escalated "bourgeois liberalization."

#### **Five Party-Member Representatives Nominated by Authorities**

The State Council and Central Military Commission recently conferred the honorary title "Outstanding State Scientist" on Qian Xuesen. The CPC Central Committee Organization Department also put Qian Xuesen alongside Lei Feng, Jiao Yulu, Wang Jingxi, and Shi Laihe, regarding them as the five outstanding representatives of party members who have enjoyed high reputations among the masses over the past 42 years since the founding of the PRC. This reminds people of the second group of party intellectuals handled by the CPC during the summer of 1987. The four intellectuals, comprising Wang Ruoshui, Wu Zuguang, Su Shaozhi, and Zhang Xianyang, were all engaged in social sciences. Is it not clear from this sharp contrast which intellectuals the authorities prefer?

#### **Song Ping's Speech on College Students**

Following the 19 August incident, the CPC Central Committee included strengthening party building in its 10-point directive. The party, government, army, and institutions of higher learning in Beijing recently ran party-building study classes. All party members must

undergo training for three weeks. The main content of the education conducted among party members is that peaceful evolution in the Soviet Union has resulted in unemployment for Soviet Communist leaders from top to bottom, confiscation of party property, and a nationwide purge. The purpose of the education is to urge the whole party to be more "united."

Song Ping, member of the Standing Committee of the CPC Central Committee Political Bureau, made an impromptu speech to college students the other day. Without a draft, he made a vivid speech which gave students much food for thought. Song said: Party members now account for only 3 percent of students in Qinghua University. Prior to liberation, our underground party members accounted for 10 to 15 percent of college students. Nevertheless, Qinghua now has 1,000 party activists and it is necessary to recruit more party members. He also mentioned the poll conducted among students, in which only 10 percent were in favor of selflessness while 80 percent insisted on subjectiveness for themselves and objectiveness for others. Viewed from Song Ping's speech, it is rather difficult for the CPC to admit college students as party members.

#### News on 14th CPC Congress Personnel Arrangements

As the Eighth Plenary Session of the 13th CPC Central Committee approaches, there has been a lot of hearsay about personnel arrangements at the upcoming 14th CPC Congress. It has been reported that Deng Xiaoping is still considering a premiership replacement. For the sake of stability, the position will probably remain unchanged. If a change is necessary, Deng Xiaoping is in favor of Zhu Rongji or Zou Jiahua assuming premiership and replacing Li Peng and the arrangements regarding Li Peng will be a problem. It is said that Li Peng will assume the office of state president so as to maintain a balance. For the sake of balance, Wan Li's office as chairman of the National People's Congress will also remain unchanged.

According to the informed sources, Yang Shangkun will no longer hold the office of state president. However, he will retain his office as first vice chairman of the Central Military Commission. Actually, he will follow Deng Xiaoping's practice, that is, maintaining his actual power over the Army.

To establish the fourth generation leadership core, CPC founder Chen Yun has insisted on allowing children of senior officials and martyrs to join the CPC Central Committee and assume party leadership. On these grounds, some of them will join the Army. It has been reported that Bo Xicheng, third son of Bo Yibo, who is now director of Beijing Tourism Bureau, is likely to be transferred to the Army to assume a post equivalent to principal officer of a military region.

#### Deng Liguang Again Backs Periodical

It has been reported that CHINA SOCIAL INVESTIGATION WEEKLY, run by the Chinese Academy of Social

Sciences Economic Section, is due off the presses soon. Deng Liguang, member of the Central Advisory Commission, is the backstage boss of the periodical. This is the fifth periodical backed by him since the 4 June incident. Nowadays, only a Central Advisory Commission Standing Committee member has the power to set up an organ. If a Standing Committee member is involved in a matter, personnel arrangements will be made by the personnel departments and outlay will be allocated by relevant departments. However, Deng Liguang, who is only a member, can run periodicals one after another. He is indeed worthy of the titles of "Vocational General Secretary" and "Super Standing Committee Member." It is also interesting that Deng Liguang instructed the CHINA SOCIAL INVESTIGATION WEEKLY to "take the middle road." Deng said: "Since the Academy of Social Sciences can run JIJINGXUE ZHOUBAO well, why can't you do the same?" The informed sources disclosed that Deng Liguang did so because some people proposed to him: "We should draw a lesson from the Soviet incident and leave a way out for ourselves."

#### Li Peng Attends State Council Border Discussion

OW0511211291 Beijing XINHUA in English  
1532 GMT 5 Nov 91

[Text] Beijing, November 5 (XINHUA)—Prime Minister Li Peng presided over the 92nd executive meeting of the State Council here today.

The meeting discussed an agreement on the eastern border between China and the Soviet Union, and discussed and approved in principle a regulation on administration of corvee labor and the charges and funds collected by villages and townships.

The regulation was drawn up to protect the legal rights and interests of the farmers. It will also be useful for the supervision units and will ferret out cases of random money-raising and fines.

After it is revised it will be put into effect by the State Council.

The meeting approved of submitting the agreement on the eastern border between China and the Soviet Union to the Standing Committee of the People's Congress for discussion and approval.

#### More on Public Security Meeting, Tao's Remarks

OW0611070391 Beijing XINHUA Domestic Service  
in Chinese 0933 GMT 4 Nov 91

[By reporter Zhou Lixian (0719 4539 2009)]

[Text] Beijing, 4 November (XINHUA)—The 18th national conference on public security was held in Beijing today. The conference set the basic tasks of public security work for the 1990's: It is necessary to use the party's basic line as the guide, adhere to the work line of combining professional work with reliance on the masses, bring the functions of public security organs into



full play, wage a resolute struggle against all forces and elements that are hostile to or undermine socialism, make vigorous efforts to tackle public-security problems in a comprehensive way, more effectively crack down on serious criminal activities, crush the conspiracies of international and domestic hostile forces to bring about peaceful evolution, consolidate state power under the people's democratic dictatorship, maintain continued stability of the country, ensure continuous deepening of reform and opening to the outside world, safeguard the safety of state property and the people's lives and property, defend economic construction, and strive for the smooth implementation of the 10-Year Program and the Eighth Five-Year Plan.

In his speech at the conference, Minister of Public Security Tao Siju pointed out: According to the requirements of the basic tasks, we must do all we can to promptly discover and strive to eliminate serious hidden troubles endangering the political and economic stability of the country, continuously increase our ability to investigate and solve cases, and check the increase of serious crimes to the maximum extent; basically exercise control over public security in a standardized and scientific way, and set up relatively sound mechanisms for safeguarding public security; and further increase our ability to prevent and extinguish fires, raise our traffic control level, and reduce fires and traffic accidents as much as possible.

Tao Siju said: Since the Third Plenary Session of the party's 11th Central Committee, public security organs throughout the country, under the correct leadership of the party Central Committee, the State Council, and local party committees and governments, have implemented the party's line, principles, and policies laid down since the third session. They have resolutely dealt blows to hostile forces and elements for their sabotage activities, prevented and properly handled the turmoil and rebellion they deliberately launched, and maintained the security and political stability of the country.

Tao Siju said: Since 1978, we have cracked down on criminal activities and maintained the basic stability of public order by strengthening public order on the railways and dealing blows to criminals, straightening out public order in general, severely punishing serious criminals, and carrying out various special struggles. Public security organs have gradually reformed and strengthened their control over public order and stepped up their struggle against accidents in public order, thus defending economic construction and the safety of the people's lives and property and better serving the purposes of reform and opening to the outside world. Public security ranks have gradually grown in strength over the past 14 years, increasing from 400,000 personnel in 1978 to 800,000 in 1990. Now the armed police force has more than 600,000 officers and men, and the police forces serving on the railways and in transportation, civil aviation, forestry, and the economic fields also total over 870,000. From 1981 to 1990, 1,385 public security

cadres and police died in the line of duty; from 1983 to 1990, 1,119 armed police laid down their lives while on duty.

In analyzing the current situation in the struggle, Tao Siju pointed out: The complicated and grim situation of the struggle and the arduous tasks for the 1990's require us to strive to build faithful, reliable, unified, coordinated, well-equipped, and well-trained public security organs that respond rapidly and are commanded effectively, in order to adapt to the new situation and accomplish the mission entrusted to us by the party and the people.

State Councillor Wang Fang, Supreme People's Court President Ren Jianxin, and Procurator General Liu Fuzhi of the Supreme People's Procuratorate were present at today's conference. Leaders of various provincial, autonomous regional, and municipal party committees and governments in charge of public security work, directors of public security departments, and comrades of the relevant departments of the People's Liberation Army, organs directly under the CPC Central Committee, and the relevant departments of the State Council attended the conference.

#### Commentator on Public Security

HK0611114591 Beijing RENMIN RIBAO in Chinese  
5 Nov 91 p 3

[Commentator's article: "Strengthen Public Security, Safeguard Social Stability"]

[Text] The "18th National Public Security Conference" has opened. This is an important meeting to sum up the past and plan the future on our country's public security front.

Public Security has always been an important field for the party and state. The public security organs constitute important tools of the people's democratic dictatorship and form a major force for safeguarding social stability, defending the people's security, and guaranteeing the smooth development of socialist modernization. Since the Third Plenary Session of the 11th CPC Central Committee, public security organs and personnel at all levels, and the officers and soldiers of the Armed Police Force, have closely followed the party's basic line. They have made prominent new contributions to the party and the people by thwarting the sinister activities of various hostile forces attempting to subvert and undermine the socialist system of our country, preventing and cracking down on various crimes, and by safeguarding public security.

At present, and for a certain period to come, continuously safeguarding social stability will still be the overwhelming central task for the public security front. The functions of the public security organs in safeguarding social stability should be brought into full play in order to serve the purpose of guaranteeing economic construction and social development. The vast number of public



security cadres and policemen in the public security organs at all levels should be required to conscientiously perform their duties and work hard to effectively prevent and thwart sabotage activities of various kinds by criminal offenders and to smash the sabotage conspiracy by the international hostile forces.

The public security organs should adhere to the public security guideline of carrying out their professional work under the party's leadership and relying on the masses. Thus, party committees at all levels are required to attach importance to public security and show concern for work in this field. They should strengthen unified and centralized leadership over public security. On the other hand, the public security organs should consciously subject themselves to the leadership and supervision of the party committees, perform their functions according to the law, and mobilize and rely on the masses to jointly maintain law and order in society. The public security organs and the armed police force should put into their routine practice the guiding principle of doing everything for the sake of the masses and doing everything by relying on the masses; they should actually rely on the masses in their struggle against the enemies and against crimes so that the public security work can be actually rooted in the masses. The broad masses should also be concerned about public security and should actively help and support the public security organs, safeguard the law enforcement authority of the public security organs, and adopt comprehensive measures for maintaining law and order in society.

In order to strengthen public security and safeguard social stability to ensure economic construction and social development, we need to gradually include all elements of public security work in the socialist legal system. It is necessary to strengthen public security legislation, conduct deep legal education among the people, increase the public security personnel's legal knowledge and their awareness of acting according to law, and to enhance their law enforcement level. Only thus can we actually ensure that all actions are in line with the law, the law is effectively and strictly enforced, and that those who violate the law are punished without exception. It is necessary to crack down on all criminal activities which harm the socialist system and the people's interests. It is also necessary to carry out all rules and regulations for maintaining law and order properly, thus guaranteeing the people's democracy, security, and legitimate rights and interests against encroachment and ensuring the smooth development of reform, opening up, and socialist modernization.

In order to strengthen public security work and to safeguard social stability, we also need to actually consolidate the public security personnel contingent so that all of them are: Faithful and reliable; impartial in performing official duties; well trained; proficient in their professional skills; well disciplined; perfect in their work style; and able to maintain a strong fighting capacity. It is necessary to educate public security personnel and the armed police force, thus helping them

understand their tasks and duties and encouraging them to continuously enhance their political, professional, cultural, and physical qualities and their law enforcement level. It is necessary to further strengthen anticorruption work by perfecting the supervisory mechanisms and resolutely correcting various irregularities, thus maintaining the purity of the public security contingent and enhancing their prestige among the people.

#### **Public Security Science, Technology System Viewed**

*HK0111122191 Beijing RENMIN RIBAO in Chinese  
29 Oct 91 p 3*

[By reporter Mao Lei (3029 4320): "China's Public Security Science, Technology System Basically Takes Shape"]

[Text] The era of backward technology in China's public security organs has elapsed. At present, a multilevel, multidiscipline, and multiprofession public security science and technology system has already basically taken shape.

In 1991, Zeng Rong won the Ministry of Public Security first class award for making scientific and technological progress. His technology on the DNA collection of fingerprints improves the forensic technology of material evidence, developing the previous ability of ruling out individuals to the present ability of identifying individuals and directly identifying criminals, which is epoch-making progress. This technology has been utilized, resulting in the cracking of some 500 serious cases of murder and rape and difficult cases.

The country's public security front has scored approximately 1,000 scientific and technological achievements. Progress in these achievements has been made at different degrees in terms of sophistication and practicality. Many difficult technological problems have been tackled and some of them have reached international advanced standards. Of them, 58 scientific and technological achievements won the state invention prizes and state scientific and technological progress prizes and 448 won scientific and technological prizes at the ministerial level.

It was learned that the scientific and technological workers engaged in professional research, including investigation, public security, criminal technology, fire fighting, traffic control, public safety, and scientific and technological information, number over 10,000. Under the support of all trades and professions and in conjunction with the realities of all public security tasks, they have applied sophisticated technology, including microwave electronics, computers, photology, chemistry, and bioengineering, to vigorously carry on scientific research. Their scientific and technological achievements and the popularization and application of these achievements have provided the public security forefront with the necessary technological means and equipment; provided the vital departments with a large amount of public security and preventive apparatuses; and played an important part in cracking cases, maintaining social order, and preventing crimes.

The low radiant quantity security inspection apparatus produced by the Public Security Ministry No. 1 Research Institute won the state second-class scientific and technological progress prize and the security inspection stations of 84 civil aviation airports at home have been equipped with 220 such apparatuses. These apparatuses have basically replaced the imported ones and have been sold in international markets, like Hong Kong, Britain, Japan, and Southeast Asia.

In the past, public security science and technology was in a closed state, there were not many lateral exchanges in society, and public security science and technology was not included in the state program and plan for relevant scientific and technological development. This has been remarkably changed in the past several years. In 1991, 27 special subjects of public security science and technology, including "key social security technology," were included in the state plan for tackling difficult scientific and technological problems during the Eighth Five-Year Plan period. Public security science and technology will also be included in the "Outline of the 10-Year Program and the Eighth Five-Year Plan for National Scientific and Technological Development." This provides important conditions for public security scientific and technological development.

#### **Police Urged To Raise Vigilance Against Capitalism**

HK0611032491 Hong Kong SOUTH CHINA  
MORNING POST in English 6 Nov 91 p 13

[By Willy Wo-lap Lam]

[Text] Chinese police have been given extra power and resources in the country's stepped-up campaign against "imperialist infiltration".

And the Chinese media has highlighted the battle against capitalism when it salutes the 74th anniversary of the 1917 Soviet Revolution.

Powerful elder Vice-President Mr Wang Zhen has also spearheaded a personal crusade to revive the Maoist agenda of class struggle.

Chinese sources said at the 18th National Meeting on Public Security Work held in Beijing earlier this week, police were encouraged to heighten their vigilance against efforts by imperialists to turn China capitalist through "peaceful evolution".

Public Security Minister Mr Tao Siju disclosed that police strength last year had increased to 800,000, while that of the paramilitary People's Armed Police to more than 600,000. He also indicated Beijing was ready to boost investment in the national-security apparatus in the coming decade.

"The Chinese police faces a grim situation of struggle", the media yesterday quoted Mr Tao as saying.

He added throughout the 1990s, there might be considerable "intertwining and collusion" among foreign-based infiltrators, domestic advocates of liberalization as well as ordinary criminals. Top cadres at the meeting pointed out more police would be deployed to fight crime and infiltration in the following areas: border regions; large-scale state enterprises and mines; major cities as well as coastal open cities.

And in a front-page commentary yesterday on the anniversary of the 1917 Revolution, the official GUANGMING DAILY [GUANGMING RIBAO] saluted the anti-capitalistic struggles waged by Chairman Mao and Lenin.

"Comrade Mao Zedong said in 1957: 'The Chinese regard the Chinese revolution as the continuation of the Great October Revolution, and regard this as a great honour,'" the commentary said. "The October Revolution will shine forever."

"Looking back on Lenin's struggles we can find deep enlightenment for correctly understanding the political changes in the world today."

Meanwhile, in a series of meetings with foreign dignitaries this week, elder Vice-President Mr Wang Zhen has underscored the importance of raising the standard of Mao thought.

"Holding high the banner of Mao Zedong Thought, Comrade Deng Xiaoping and General Secretary Jiang Zemin are firmly pushing forward the Chinese revolution and socialism, which were initiated by Chairman Mao", Mr Wang told a North Korea delegation on Monday.

Chinese sources said within the conservative camp, it was Mr Wang who had first raised the banner of "class struggle" in response to the failed Soviet coup in August. The Vice-President has refused to heed the call by patriarch Mr Deng Xiaoping to set aside class struggle and concentrate on economic work.

#### **Circular Calls for Crackdown on Grave Robbing**

OW0411144691 Beijing XINHUA Domestic Service  
in Chinese 0725 GMT 4 Nov 91

["The General Offices of the CPC Central Committee and the State Council Calls On All Areas to Resolutely Crack Down on the Criminal Activities of Digging and Robbing Ancient Graves"—XINHUA headline]

[Text] Beijing, 4 Nov (XINHUA)—Recently, the General Offices of the CPC Central Committee and the State Council relayed the "Opinion of the Ministry of Public Security and the State Bureau for Preservation of Cultural Relics on Dealing a Harsh Blow to the Criminal Activities of Digging and Robbing Ancient Graves." They also issued a circular calling on the party committees and people's governments of all provinces, autonomous regions, and municipalities, the party committees

of all major military regions, all ministries and commissions of the central government and state organs, the party committees of all general departments under the Central Military Commission and various armed services, and all the mass organizations to conscientiously implement the opinion. Meanwhile, the circular also pointed out: Recently, the criminal activities of digging and robbing ancient graves spread rapidly with large-scale digging and robbing of ancient graves and ruins of ancient culture continually occurring. This causes tremendous losses to the motherland's precious cultural legacy of history. It is necessary for the party committees and people's governments at all levels as well as the relevant departments to conscientiously strengthen leadership and take effective measures to resolutely crack down on the criminal activities of digging and robbing ancient graves and protect the cultural relics of the state.

#### **Daily Reports Shandong Crackdown on Abductions**

*HK0111054891 Beijing RENMIN RIBAO in Chinese*  
*21 Oct 91 p 4*

[By Liu Shupu (0491 2885 2613) and Huang Yumin (7806 3768 2404): "Shandong Province Cracks Down on Crimes of Abducting Women and Children"]

[Text] Shandong Province has dealt severe blows against the crimes of abducting and selling people and arrested a large number of criminals engaged in abducting and selling women and children.

In order to effectively check the abduction of women and children, all prefectures, cities, counties, and relevant townships and towns have set up special leading bodies to guide this work. The provincial government also allocated 2 million yuan as a special fund for waging the struggle in this respect. Four province-wide campaigns were organized to crack down on the abduction and sale of women and children. Action was mainly taken in eight prefectures and cities, mainly Liaocheng, Heze, and Dezhou.

The relevant departments at various levels in Shandong Province require counties to take charge of the work in some townships where serious problems exist and to take charge of the work in relevant villages. All women and children from other areas were screened so that criminal cases could be cracked. In the action, a large number of women and children who fell victim to abduction were rescued.

#### **Cadres Sent to Tibet To Strengthen 'Unity'**

*HK0411073591 Hong Kong ZHONGGUO TONGXUN*  
*SHE in Chinese 0556 GMT 4 Nov 91*

[Text] Beijing, 4 Nov (ZHONGGUO TONGXUN SHE)—The CPC Organizational Department and State Personnel Department recently decided to send 128 inland cadres to Tibet, of whom 60 will be county-level party and administrative cadres and 68 professional cadres. This is seen as an important move in developing Tibet and strengthening national unity.

Cadres who are enterprising, have a sense of responsibility, are competent, have a good understanding of the party's policies, are willing to enthusiastically serve the Tibetan people, and are below 45 years of age will be selected.

These cadres will serve in Tibet for 10 years. They will go through the necessary procedures required of transferred cadres and will enjoy the same treatment as local cadres. They will go back to their original areas and departments after working in Tibet for 10 years.

#### **Gansu Promotes Minority Nationality Cadres**

*HK0111054691 Beijing RENMIN RIBAO in Chinese*  
*20 Oct 91 p 3*

[XINHUA report by Chen Jun (7115 0193): "Large Number of Minority Nationality Cadres Take Up Leading Posts in Gansu Province"]

[Text] Lanzhou (XINHUA)—In the 10 years from 1980 and 1990, the number of minority nationality cadres in Gansu Province increased by 10,461 people. The growth rate of minority nationality cadres was 32 percentage points higher than the growth rate of Han Nationality cadres.

Gansu Province is inhabited by 40 minority nationalities alongside Han people, and the population of minority nationalities accounts for 8.9 percent of the provincial total. Until the end of 1990, there were 23,941 minority nationality cadres in the whole province, accounting for 5 percent of the total number of cadres.

In the previous 10 years, the overall quality of minority nationality cadres in Gansu was enhanced in all aspects. A contingent of minority nationality cadres with young and middle-aged people as the main body took shape. Twenty-three percent of the minority nationality cadres in this province have now received tertiary education and minority nationality cadres at and below 40 years of age account for 70 percent.

Minority nationality cadres can now be found in all departments and at all levels. There are now 13,465 minority nationality technical and professional cadres in the whole province, accounting for 56.42 percent of the total number of minority nationality cadres. Among them, 281 people have senior professional titles, accounting for 2.09 percent; 2,165 people have middle-level professional titles, accounting for 16.08 percent. The structure of the contingent of minority nationality cadres has also become more reasonable in line with the needs in economic construction and social development.

As a large number of minority nationality cadres has taken up leading posts, the internal affairs of various minority nationalities in Gansu can be managed by the people of these nationalities themselves. Minority nationality cadres at and above the bureau chief level now account for 22.88 percent of the total number of minority nationality cadres in this province and nine people are holding leading posts at the provincial level.



In the two prefectures, seven counties, and 36 townships ti autonomy, principal leading cadres are all minority nationality cadres.

**Government To Assess Social Development Levels**

OW3110115251 Beijing XINHUA Domestic Service  
in Chinese 0818 GMT 28 Oct 91

["China Is Going To Conduct Comprehensive Assessment of the Level of Social Development in All Areas (By reporter Wu Shishen (0702 1102 3234))"—XINHUA headline]

[Text] Beijing, 28 Oct (XINHUA)—According to the State Statistical Bureau, beginning from next year a whole set of comprehensive social and economic development indicators will be used in lieu of purely economic indicators—such as the gross national product—as the "yardstick" to assess the developing situation in all areas throughout our country. The work to assess the level of social development with a view to scientifically reflecting the entire social situation in all provinces, autonomous regions, and municipalities in an all-around way will be conducted nationwide.

Assessment of the level of social development in an area will include 10 spheres—environment, population, economy, residents' life, labor, social security, public health and medical care, science-technology and education, culture and sports, and maintenance of public order. By surveying indicators of the capacity, quality, structure, and extent of changes within these 10 spheres, statistical departments will calculate the final index of each sphere as well as the combined index of social development in all areas, determine the rating of each area among all the areas in the country, and make a regular announcement of the results of assessment.

It has been learned that the purpose of conducting this comprehensive assessment is to promote coordinated social and economic development in all areas. Recently, the State Statistical Bureau drew up a "Plan for Assessing the Level of Social Development in an Area [or Region] in Our Country" on the basis of using the results of research conducted at home and abroad for reference. Included in the range of assessment are a total of 133 quantization indicators, including per-capita gross domestic product, per-capita financial revenue, social labor productivity, residents' consumption level, urban and rural residents' income, the unemployment rate in both urban and rural areas, the ratio of population that enjoy social security, average life expectancy, birth and divorce rates, per-capita educational funds and per-capita outlay for science and technology, entrance rates of school-age children, per-capita expenditures for cultural activities; newspaper subscriptions per capita, the rate of criminal cases on file for investigation and persecution, and the rate of such criminal cases solved.

**Article Praises Works of Educator Tao Xingzhi**

HK3110051091 Beijing RENMIN RIBAO in Chinese  
19 Oct 91 p 3

[By Zhang Jingfu (1728 0513 1133): "Monumental Work Containing Valuable Spiritual Wealth—Greeting Publication of New Edition of *Collected Works of Tao Xingzhi*"]

[Text] Five years ago, when Huazhong Teachers' University and Hunan Education Publishing House were asking some scholars, experts, and editors at home to publish the Hunan edition of *Collected Works of Tao Xingzhi*, as a student of Mr. Tao Xingzhi, I wrote an article entitled "A Treasure House in Modern History of Education of China" (carried on page 3 of the 24 April 1986 RENMIN RIBAO). In that article, I mentioned that the *Collected Works of Tao Xingzhi* (hereinafter *Collected Works* for short) contains three characteristics: 1) it contains rich educational theories and methods that suit the national conditions of China; 2) it radiates with the light of great patriotism; 3) it has found a new ray of dawn for the new education of New China. The publication of the Hunan edition of the *Collected Works* has made useful contributions toward crash-rescuing the cultural heritage of our nation, promoting our country's education reform, and building the socialist education system with Chinese characteristics and met with good comments at home and abroad.

In September 1985, the China Society for the Study of Tao Xingzhi and the China Tao Xingzhi Foundation were established, thus turning a new page in the study of Tao Xingzhi. Subsequently, the China Society for Study of Tao Xingzhi received many valuable suggestions from workers for Tao Xingzhi study, friends of Tao Xingzhi before his death, his students, and some readers, demanding that the China Society for the Study of Tao Xingzhi "make still further progress" and race against time; while some old friends and students of Mr. Tao and some old experts in Tao Xingzhi study are still alive, organize forces and on the original foundation, reedit and republish a relatively complete new edition of the *Collected Works*; and publish it at the centenary of the birth of Mr. Tao Xingzhi in 1991, to meet the needs of the times and the readers.

In the summer of 1988, a new editorial board was organized. With the vigorous support of the Huazhong Teachers' University, with the concerted efforts of the Sichuan, Jiangsu, Shanghai, and Anhui Societies for the Study of Tao Xingzhi and the Anhui, Jiangsu, and Shanghai Tao Xingzhi Memorial Halls, and with the assistance of all relevant archives and libraries, the work could progress smoothly and be accomplished as scheduled.

This Sichuan edition of the *Collected Works* adheres to the principle of striving for "completeness" and "truthfulness," exerts tremendous efforts to provide "rich data" and to pay attention to "precise and appropriate annotations," and has been supplemented with about 2 million characters from lost articles, poems, and letters.



It has particularly been supplemented with 55 copies of the writer's small notebooks from April 1936 to July 1949 and uses the writer's inscription "Memorandum of Action To Seek Knowledge and Further Action With Knowledge" as its name. All this was photomechanically printed to maintain truthfulness and the works, consisting of 10 volumes with about 400,000 characters, were published at home and abroad for the first time, and were extremely valuable historical data for the study of Tao Xingzhi's fighting career in the last 10 years. The Sichuan edition of the *Collected Works* was published by the provincial Education Publishing House under the care and vigorous support of the party and government leaders of Sichuan Province.

From the *Collected Works*, we can see:

Tao Xingzhi was a great people's educator and thinker. Cherishing the aspiration for "enabling all Chinese people to receive education," he embarked on the people's education cause all his life. In 1927, with the spirit of enduring great hardships in pioneer work, he established the world-famous "Nanjing Xiaozhuang School." He opposed both the "old method of following convention" and "modeling after foreign countries." He encouraged people to be "bold in exploring new inventive truth" and "bold in entering uncivilized border areas," to have the "creative spirit" and "pioneering spirit," and to be a "first-class educator." He creatively proposed "life education," advocated that "life is education," "society is school," and "teaching, study, and doing are combined into one," he preached that "education is designed for the public" and "people come first." He advocated the creative spirit with the contents of revolutionary ideas, appealed to people to greet the "rising sun in the East" and "to create a new, happy China and new world." He taught people to "smash the painful hell and create the paradise of mankind." In one word, his education for the whole people wanted to contribute toward "creating a new world that the common people themselves are willing to have."

We can also see:

Tao Xingzhi was a great democratic revolutionary fighter.

Tao Xingzhi not only participated in the 1911 revolution and was an old democratic revolutionary fighter but also with the development of the situation, he vigorously supported Sun Yat-sen's three great policies, which were called "genuine democracy" and ran counter to sham democracy. He advocated that the education revolution should be coordinated with the political revolution, his position was clear-cut, and he further became a great a new-democratic revolutionary fighter. In April 1930, Chiang Kai-shek used an armed force to close Xiaozhuang School and ordered the arrest of Tao Xingzhi, but Tao Xingzhi did not yield. He drafted a "school protection manifesto" the same night and put forward an appeal: Asking "all people to unanimously cherish Xiaozhuang; human rights; peaceful struggle that is

undaunted by repeated setbacks; revolutionary education that teaches people to become masters; the progressive revolution of the times; the free and equal Republic of China; and an ideal society in which everyone has a job, food, and flowers to smell along the way." After that, he went to Japan in exile. He returned from Japan in 1931 and at the invitation of Mr. Shi Liangcai, he held the post of adviser to the SHEN BAO general management office and played a fairly great part in the reform of SHEN BAO. With the pseudonym of "Man of Unweeded Study," he published many essays in the "Free Talk" of SHEN BAO, violently slamming Chiang Kai-shek's reactionary policy: "resistance against foreign aggression must presuppose bringing peace and stability to the country;" and putting forth the view, "bringing peace and stability to the country must presuppose resistance against foreign aggression," to unite as one to deal with the enemy. He revealed the situation created by Chiang Kai-shek, in which "people go to the hell while he builds a heavenly palace for himself" and "10,000 people are distressed while one man rejoices." He scathingly denounced the Kuomintang [KMT] reactionaries: "how can they bear to see the country broken up? He himself has the ability to kill his sister." After the "18 September" incident, Chiang Kai-shek pursued the policy of nonresistance and turned a deaf ear to the Japanese imperialists' successive offensives directed at the place inside Shanhaiguan. Tao Xingzhi published a poem, "The Destiny of 'Not,'" as a warning to Chiang Kai-shek: "Japan is said to have launched offensives against Ma Zhanshan, but the Japanese Army has not entered Shanhaiguan. There are passes inside Shanhaiguan and it is not as happy outside Shanhaiguan as it is inside Shanhaiguan. The Japanese Army is said to enter Shanhaiguan but has not gone up Zijin Shan. The river is filled with water under Zijin Shan and the boatmen are looking on a boat capsizing with folded arms." Later, he became the initiator and one of the leading members of All-China National Salvation Federation. He and Shen Junru, Zhang Naiqi, and Zou Taofen jointly published the "Basic Conditions and Minimum Demands for Unity and Resistance Against Foreign Aggression" and composed a poem, stating: "Disaster is imminent. How can we bear to see the beans fried by the burning beanstalk? This modern 10,000-character letter was first signed by me." Subsequently, Comrade Mao Zedong wrote a letter in reply on behalf of the CPC Central Committee, declaring "we sincerely and willingly"..."sign this document." In 1936, entrusted by All-China National Salvation Federation, in the capacity of a national diplomatic envoy, he visited 28 countries in Europe, America, Asia, and Africa, propagated resistance against Japan and national salvation...carried out people's diplomatic activities, and made very great contributions toward embargoing military material sales to Japan. He returned home in August 1938 and while passing through Hong Kong, he set up the Zhonghua Sparetime Continuation School, which became a center to rally the patriotic Overseas Chinese. In 1939, he established the Chongqing Yucai School and Shehui University, which trained many fighters for

democracy and qualified personnel for national construction. After victory in the war of resistance in 1945, Chiang Kai-shek launched a civil war again, and Tao Xingzhi went all out to plunge himself into the struggle against the civil war, for peace, against dictatorship, and for democracy to his last breath. He, therefore, became the third target of assassination after Li Gongpu and Wen Yiduo.

In this *Collected Works*, we can also see:

Tao Xingzhi developed from a great patriot to a great fighter for communism.

From the *Collected Works*, we can see: In 1914, when he was about to enter society after graduating from university at the age of 23, he was very much concerned with the major events of the state and published an article: "Hopes in the Third Year of the Republic," in JIN-LINGGUANG, hoping that the "civil officials will not be greedy for money, follow the beaten path, and pursue factionalism but exert great efforts to help others do the important affairs of state" and that the "military officers will strictly abide by discipline, attach importance to humanity, not boast of their merits, not be arrogant, fight for justice, and not be ruthless and tyrannical." He also hoped the "civil war will forever subside," "students will become useful people," and "everyone will thoroughly reform himself and be clear of vulgarity and filthiness." In this way, we can ensure the "people's strength is powerful, their morality improves, and they can be rich and powerful, can be compared with those of other countries, and can stand towering like a giant among all nations." To popularize education for the common people, he and Zhu Jingnong compiled a set of readers, *The Common People's 1,000-Character Lessons*, one of which is called the "Country-Loving Song." The lesson is: "China with 400 million people, a country with 400 million people, the 400 million people love her with one heart and one mind! If you love her, you must not allow the other people to do her harm. When the other people do her harm, you must love her more. How can the other people do her harm if you love her? China! China! China with 400 million people, a country with 400 million people, the 400 million people love her with one heart and one mind!" He also collected and arranged in the readers "China's territory" as well as China's famous historical personages, such as Confucius, Mencius, Wang Anshi, Yue Fei, and Gu Yanwu to allow the "common people" to understand them. In October 1936, when the Chinese nation was facing perils, he composed an encouraging, spirited, and extremely elegant and valuable poem: "I am Chinese and I love China. China's situation is now desperately serious but China will surely be very good in the future!" In his practice of education, on the basis of his patriotic idea, he used various forms and teaching materials to lead people to love their own hometowns, their own land, their own people, their own history, and the dignity of their own nation! In the last 10 years of his life, for the liberation of the Chinese nation and for the independence and democracy of the state, he stood at the forefront of the struggle all along and really

"tired himself out in official duties until he died!" Very good evidence can be acquired from Volume 10 of the *Collected Works*. "Those who struggle for the people like what the people like and dislike what the people dislike and they compose a people's epic with blood." This was just the portrayal of him.

Tao Xingzhi was also a great fighter for communism. From the foregoing narrations, we can see that like many China's contemporary progressive intellectuals, Tao Xingzhi worked and struggled hard for several decades and proceeded from patriotism to democracy and finally to communism. This is the only way that conforms to the development of the times. Tao Xingzhi went to London three times and paid his respects to the tomb of Marx three times. He wrote a poem of praise, stating: "The light radiates for ten thousand generations, his great theory awakens the world, 24748 (the number of Marx's tomb), a little tomb buries a great man." When the *Collected Works of Lu Xun* was published, he was abroad. He vigorously disseminated it and canvassed for subscriptions, to support the publication of the *Collected Works of Lu Xun*. He also composed a poem, "Greetings to the *Collected Works of Lu Xun*," stating: "Land overgrown with brambles and sky overcast, you know the road ahead clearly. Six million torches (referring to the 6 million-character *Collected Works of Lu Xun*) are lighted, they light up people's creations until dawn." Here, we can easily see what he extolled and what he yearned for. As Lu Xun "clearly knows the road ahead," he "clearly knows the road ahead." What is the road ahead? It is that under the Communist Party leadership, China builds socialism and heads for communism. Comrade Lu Dingyi said in an article: "As early as the period of White Terror from 1927 to 1937, because of the KMT's fascist policy of 'better to kill 1,000 people erroneously than set one free' and Wang Ming's line inside the party, the party of the White area was practically sabotaged...At this time, a new force, comprising nonparty communists, represented by Song Qingling, He Xiangning, Lu Xun, Shen Junru, Zou Taofen, and Tao Xingzhi, suddenly came to the fore and publicized the Communist Party's views as well as the communist world outlook. They rendered great meritorious service to the revolution. Meanwhile, this also showed that the overwhelming majority of China's intellectuals (not merely Communist Party members) came to know that only communism could save China!" (carried in 10 December 1982 GUANGMING RIBAO) This passage complies with historical realities. Tao Xingzhi deserved to be called a great fighter for communism. As an old saying states: "Can one not know who he is when one reads his poems and books?" The new edition of the *Collected Works of Tao Xingzhi* is now published and from this 5 million-character treasure house, we can "read his poems and book" and "know who he is."

The section of the famous commentary by Zuo Qiuming on the spring and fall annals for the period of the 24th year under the reign of Duke Xiang of the State of Lu (549 B.C.) carries: "In spring, Mu Shu (namely Shu

Sunbao, ruler of the State of Lu) went to the State of Jin and Fan Xuanzi welcomed him, asking: "The ancients said: What does it mean by immortality after death?" Mu Shu did not answer..." Later, Fan Xuanzi repeatedly questioned him closely. Mu Shu then replied to him: "I heard that the best men do three things to be remembered by posterity, by their character, by outward achievements, and by ideas and sayings for a long time without fail and this is called immortality." (Compiled by Xu Zhongshu: *Selected Works From the Commentary by Zuo Qiuming*, page 189, Zhonghua Bookstore edition) These are the "three immortalities" that have been widely known for over 2,000 years. We take a panoramic view of Mr. Tao Xingzhi's whole life. He adhered to the principle of "pursuing truth and being a real person," devoted his energy to his motherland and the people, "came with a heart, and left without bringing half a piece of grass." His character was lofty and was admired by the world. With the spirit of "being willing to be a camel," he set up Nanjing Xiaozhuang School, Shanghai Shanhai Industrial Group, Chongqing Yucai School, Shehui University, and so on. Under the circumstances in which people "had not enough food," he "found a way out for China's education" and trained groups of qualified personnel. His meritorious service was so great that he won universal praise. He was an educator who "acted to seek knowledge and further acted with knowledge" and practiced personally what he preached. The 5 million-character works he left us after his death are, as he said: "...They are what I have experienced. I, therefore, write what I believe and also what I practice." His theory is comprehensive and profound and adds a new page to the cultural heritage of our nation. Tao Xingzhi did all three things to be remembered by posterity, by his character, by outward achievements, and by ideas and sayings! Today, when our socialist revolution and socialist construction are guided by Marxism-Leninism-Mao Zedong Thought, we always oppose national nihilism. We are proud of such a great educator as Tao Xingzhi in China in modern times and believe: The new edition of the *Collected Works of Tao Xingzhi* published will surely forever educate our descendants and shine for tens of thousands of years!

#### Book Form of Jiang Zemin's Speech Released

OW0111064491 Beijing XINHUA Domestic Service  
in Chinese 0932 GMT 29 Oct 91

[Text] Beijing, 29 Oct (XINHUA)—Comrade Jiang Zemin's speech at the central work meeting on 27 September, 1991, has been published by the Renmin Publishing House in book form. Starting tomorrow, the books will be released in succession by XINHUA bookstores in various localities in the country.

#### Bo Yibo Attends Automobile Guidebook Ceremony

OW3110095191 Beijing XINHUA Domestic Service  
in Chinese 0308 GMT 31 Oct 91

["Ceremony for the Inaugural Issue of the *China Automotive and Trade Guidebook* Is Held in Beijing (by reporter Hong Bo (3163 0590))"—XINHUA headline]

[Text] Beijing, 31 Oct (XINHUA)—The comprehensive volume of the "*China Automotive and Trade Guidebook*," the first large reference book in a series that gives an all-around report on the automotive industry and its trade in our country, was published by the Jingji Ribao [Economic Daily] Publishing House. The editorial board of the "Guidebook" and the Jingji Ribao Publishing House recently held a ceremony in the Great Hall of the People for the inaugural issue, formally announcing publication of the guidebook nationwide. Bo Yibo and other leading comrades attended the ceremony and spoke.

The book, whose title bears the inscription of Comrade Bo Yibo, gives a systematic account of the history and present situation of the automotive industry and its trade in our country; deals with the basic conditions, scope of business operations, and services provided before, during, and after purchase by the sales organizations affiliated with the nine major automotive manufacturing enterprises (groups) and the China National Automotive Trade Corporation; introduces the model numbers, product range, performance, and characteristics of the major Chinese and foreign automotive products available in the market in our country; sums up the policies, laws, and regulations in respect to industry and commerce, taxation, financial affairs, commodity prices, public security, and traffic; collects all practical knowledge about the entire process of the use of automotive from how to choose, buy, and drive a car to its repair, maintenance, safety checks, and the disposal of a used car; and has appendixes of a table of auto sales and services network nationwide, diagrams of the models of the major automotive products throughout the country, and technical parameters. As it contains abundant reference material and is very authoritative and practical, it can serve as a guide for consumers.

The "Guidebook" was jointly edited and compiled by the China National Automotive Trade Corporation, the Ministry of Public Security, the State Administration for Industry and Commerce, the Jingji Ribao Publishing House, and the nine large key automotive enterprises run by the state, including the First Automotive Works and the Second Automotive Works.

#### Song Renqiong Attends Book Publishing Ceremony

OW0611002191 Beijing XINHUA Domestic Service  
in Chinese 1333 GMT 4 Nov 91

[Text] Beijing, 4 Nov (XINHUA)—Three years after his death, part of a collection of works by Gao Shiqi, a scientist and author of scientific works who was respected and loved by young people, has been published.

A ceremony to present the first volume of *The Complete Works of Gao Shiqi* was held at the Great Hall of the People this morning. Song Renqiong, Li Desheng, Lei Jieqiong, Kang Keqing, Zhao Puchu, and Lu Jiaxi attended the ceremony.

While studying in the United States in 1928, Gao Shiqi was seriously infected during an experiment on viruses



and developed incurable complications from encephalitis viruses. Despite his general paralysis, he wrote many highly popular scientific and other works with his shaky hands for 60 years.

At the ceremony, Zhu Guangya, chairman of the China Association for Science and Technology, said: Gao Shiqi was a pioneer of science popularization in New China. He spent his lifetime making remarkable contributions to popularizing science. His many works are still significant in guiding our country's science popularization efforts.

*The Complete Works of Gao Shiqi* contain some 1.5 million characters and will be published in four volumes. The first and second volumes contain his scientific works written before and after New China was founded. The third volume carries his poems, while the fourth contains his theses, letters, and memoirs. The whole collection will be published by 1993. This collection has been designated by the State Press and Publication Administration as major works for the Eighth Five-Year Plan.

#### **Newspaper Compiles Overseas, Domestic Clippings**

OW2910180691 Beijing XINHUA in English  
1354 GMT 29 Oct 91

[Text] Beijing, October 29 (XINHUA)—A newspaper that has no reporters of its own, but can provide information on various special topics, economic topics in particular, to all circles of society, is undoubtedly unique.

THE CHINA NEWSPAPER-CLIPPING, which began publication in August, 1985, is the only one of its kind in China which serves subscribers by providing newspaper clippings.

People in today's world are eager to obtain as much information as possible to help increase their efficiency, said Wang Rongtai, deputy editor-in-chief of the newspaper, and the aim of his newspaper is to meet their needs.

Now THE CHINA NEWSPAPER-CLIPPING provides stories of practical value from over 2,000 Chinese and overseas newspapers to various users in 29 provinces, autonomous regions and municipalities across the country.

According to Wang, the paper, which is co-sponsored by the State Information Center, the Economic Information Center of Jiangsu Province, and the Economic Commission of Changzhou city, has published over 30,000 editions and 100 special editions in the past six years. It has a total circulation of 2 million. It will further expand its publication in 1992.

Available statistics reveal that subscribers to the paper have used the information it provides to obtain greater economic efficiency, amounting to nearly 100 million yuan.

#### **Death of Veteran Writer Du Pengcheng Noted**

OW0111125991 Beijing XINHUA in English  
0901 GMT 1 Nov 91

[Text] Xian, November 1 (XINHUA)—Du Pengcheng, author of the internationally famous novel "Defend Yanan", died of illness October 27 at the age of 70.

Du was born in Hancheng County in Shaanxi Province in April 1921. He went to Yanan to take part in the Chinese Revolution in 1938 and joined the Communist Party of China (CPC) in 1945.

In his more than 50 years as a revolutionary Du wrote prolifically. "Defend Yanan" was the first novel to sing the praises of the People's Liberation Army. More than four million volumes of the book have been issued in Chinese, English, Russian and other languages.

He was a member of the 12th National Congress of the CPC, and a member of the Second and Third National Committees of the Chinese People's Political Consultative Conference.

#### **Tian Jiyun, Luo Gan Attend Modeling Competition**

OW0111092591 Beijing XINHUA Domestic Service  
in Chinese 0947 GMT 30 Oct 91

[By RENMIN RIBAO reporter Mo Xinyuan (5459 2450 0337) and XINHUA reporter Li Anding (2621 1344 1353)]

[Excerpt] Beijing, 30 Oct (XINHUA)—Chinese models are on their way to world-level fashion shows. Selective competitions for the World Super Model Contest and the Second Chinese Fashion Show concluded in Beijing last evening. Chen Juanhong from Shenzhen finished first; she will represent China at the World Super Model Contest scheduled to open in Los Angeles next July.

Also chosen as the "10 best" are Qu Ying and Liu Li of Beijing; Li Jie of Shanghai; Si Xuanhong, Yu Ran, and Chen Hoa of Beijing; Zhu Hong of Shenzhen; Chen Jing of Beijing; and Song Hongyan of Shenzhen.

Tian Jiyun, Chen Muhua, Ma Wenrui, Lo Gan, and Wang Renzhi viewed the contest. [passage omitted]

#### **Li Tieying Congratulates Chess Champion**

OW0111064691 Beijing XINHUA Domestic Service  
in Chinese 1440 GMT 29 Oct 91

[Text] Beijing, 29 Oct (XINHUA)—When Chinese chess player Xie Jun won the title of world women's champion of international chess this evening, State Councilor Li Tieying cabled his congratulations to China's international chess delegation. The full text of his congratulatory message reads: To China's international chess delegation through the State Physical Culture and Sports Commission, I heard the joyful news of Xie Jun's successful contest at the World Women's International Chess Championships and would particularly like to send my warm congratulations and cordial



regards to you. Xie Jun's historical breakthrough in the international chess arena shows the intelligence and wisdom of our country's younger generation. Her success is the fruit of intensive group studies and mutual learning and changing of views over many years. Though victory is sweet, the art of chess, like the endless flow of a river, has no limits. It is hoped that you will earnestly sum up your experience, continue to work hard in exploring, and strive to improve further your technical level in international chess.

[signed] Li Tieying

[dated] 29 October 1991

### Factory Begins Mass Production of Abortion Pill

OW0511060791 Beijing XINHUA in English  
0329 GMT 5 Nov 91

[Text] Shanghai, November 5 (XINHUA)—The Shanghai No. 12 Pharmaceutical Factory recently began mass production of the oral abortifacient—abortion inducing drug—mifepristone.

China is the second country to produce the drug, following the lead of France's Roussel-Uclaf Company.

Mifepristone is the only drug available which will induce abortions in the early stages of pregnancy.

The drug relieves the pain a woman suffers during an induced abortion and is reported to have no adverse side effects.

The drug, which was successfully synthesized by the Shanghai Research Institute of Family Planning late last year, has passed a state appraisal and numerous clinical studies.

Mifepristone is reported to be most effective when used by women under 35 years of age who have been pregnant less than 49 days.

Clinical studies reveal the drug has a 95 percent safety rating.

Doctor Zhao Baihe, director of the Shanghai Research Institute of Family Planning, said that the drug provides a safer, simpler and more economic and effective method for women to abort an unwanted pregnancy.

The institute recently received a state award for developing the drug which will greatly benefit the country's population control effort.

The medicine will be available before the end of 1991.

## Science & Technology

### Science, Technology Progress Measures Planned

HK0511114291 Hong Kong WEN WEI PO  
in Chinese 28 Oct 91 p 5

[By staff reporter Chen Chien-ping (7115 1696 1627): "Central Authorities To Formulate Law on Scientific, Technological Progress"]

[Text] Beijing, 27 Oct—According to an authority here, the central authorities will soon promulgate a series of measures, including formulating and putting into effect the "law on scientific and technological progress," using market competition to spur scientific and technological progress, strengthening input in science and technology, and increasing the amount of loans, so as to establish the strategy for science and technology throughout the country and to strengthen the scientific and technological development of our country.

This authority said that the main content of the measures for strengthening scientific and technological development to be promulgated soon by the central authorities is comprised of the following: Formulating as soon as possible the medium- and long-term programs for scientific and technological development of our country from now to the year 2005, the Eighth Five-Year Plan for scientific and technological development, and 10-year program; working out and putting into effect as soon as possible the "law on scientific and technological progress"; continuing to step up arrangements for fundamental research in depth and, meanwhile, properly reorganizing the structure of the scientific research force, grasping several important matters in the realm of high science and technology, particularly in the forward position, striving for an important economic and social value and a breakthrough in the world advanced standards, enhancing national strength, and heightening national prestige; deepening reform, giving full play to the market mechanism, and using market competition to spur scientific and technological progress; strengthening input in science and technology, increasing scientific and technological loans, and increasing them more quickly than the state collects its regular financial revenue; increasing banks' loan amounts for science and technology; using policy to encourage the government's input in science and technology, and so on.

This authoritative person said that the central authorities place emphasis on scientific and technological development because they mainly hold: 1) As our country's economic development is still in the course of industrialization and developing the traditional industries and agriculture is still the key point of the national economy, it is, therefore, necessary to apply high and new technology to accelerate the transformation of the traditional industries and agriculture, to rely on scientific and technological progress to readjust the industry mix, and to invigorate the large and medium-sized enterprises and to speed up industrialization through the emancipation

of the productive forces. 2) After more than 10 years of reform and opening up, as our country has stepped into the arena of international competition, it must strive for existence and the environment for development and opening up in the international arena and is not allowed to stagnate in science and technology.

### Prize-Winning Scientist Returns to Beijing

OW3110182791 Beijing XINHUA in English  
1317 GMT 31 Oct 91

[Text] Beijing, October 31 (XINHUA)—Dr. Chen Zhangliang, a 30-year-old Chinese biologist, returned here today after he received the Javed Husayn Prize for Young Scientists for 1991 in Paris on Monday.

The prize, which is worth 12,000 U.S. dollars and was set up by the United Nations Educational, Scientific and Cultural Organization (UNESCO) in 1984, is awarded biennially to prominent young scientists who have made significant achievements in natural, social, or technological sciences.

After graduating from Washington University with a PhD in 1987, Professor Chen started the construction of a national laboratory in plant genetic engineering at Beijing University. His recent work in searching for new genes from Chinese medicines and special local Chinese biological resources has aroused widespread interest among the international science community.

At the airport, as he was being presented with flowers and greeted by students from his laboratory, officials from the government, and a group of journalists, Professor Chen said that he was very excited by the award.

"The honour not only belongs to me, it also goes to my whole research team, to my country and to my people," he said.

At the welcome ceremony, Deng Nan, vice-minister of the State Commission of Science and Technology, said that Chen's achievements show that "young scientists can make full play of their talents in China."

"As one of the youngest full professors in China, Chen's achievements have also shown to the world that first-grade scientific work can be achieved in Third World countries such as China," a student from Beijing University noted.

### Meets Wang Zhen

OW0511232691 Beijing XINHUA Domestic Service  
in Chinese 1405 GMT 4 Nov 91

[By reporters Zhuo Peirong (0587 1014 2837) and Li Xiguang (2621 1585 0342)]

[Text] Beijing, 4 November (XINHUA)—State Vice President Wang Zhen received Chen Zhangliang, a young 30-year-old professor from Beijing University and recipient of

the UN Javed Husayn Prize for Outstanding Young Scientists, at the Great Hall of the People this evening.

Li Tieying, member of the CPC Central Committee's Political Bureau, state councillor, and minister in charge of the State Education Commission, and Song Jian, state councillor and minister in charge of the State Science and Technology Commission, introduced Professor Chen Zhangliang to Wang Zhen. Wang Zhen said: We welcome your honor-laden return. I was really delighted when I learned of your winning the prize. On behalf of General Secretary Jiang Zemin, President Yang Shangkun, and Premier Li Peng, I would like to extend my warm congratulations to Professor Chen Zhangliang, winner of the young scientist prize.

Wang Zhen attentively listened to a briefing by Beijing University President Wu Shuqing on Professor Chen Zhangliang's research and award-winning performance. He then said to Chen Zhangliang: I was born 50 years before you. That was a disastrous era. That socialist New China has cultivated a world-renowned scientist like you is an honor for the 1.1 billion Chinese people and a pride of the Chinese nation.

Wang Zhen said: The Chinese people and nation are not only diligent and brave; they are also intelligent. There were many famous scientists and men of letters in China; however, decadent feudal influences and imperialist invasions impeded our progress in more recent times, making our contributions to world scientific efforts incompatible with our status as a big nation. The Chinese people regained their footing under the leadership of the CPC, which was represented by Comrade Mao Zedong. This led to substantial progress in our scientific and technological endeavors. Comrade Mao Zedong and other late revolutionaries of the older generation would be very pleased with your success if they could hear this news from the netherworld.

Chen Zhangliang told Vice President Wang Zhen that he graduated from the Huanan Tropical Crops College, which was founded by Wang Zhen, in 1982. He said that while studying there, he saw a photograph of Wang Zhen wielding a hoe and helping out with the college's construction.

Wang Zhen said: Accomplishing the socialist cause requires a large number of socialist-minded professionals. During the 1950s, I mobilized some professors to go to Hainan Island to help found the Huanan Tropical Crops College. Operating at the forefront of production, the college has trained large numbers of useful personnel by forging a direct link between teaching, scientific research, and production. This attests to the correctness of our educational policy. I feel extremely happy with the college's success in training a scientist like you.

Wang Zhen said: Chen Zhangliang has returned from his overseas studies to serve the motherland and to devote his intelligence and wisdom to the people. He has won international recognition and respect. The party, the people, and the state should praise and respect him.

Every Chinese with integrity will scorn the so-called cream of professionals, who have gone abroad to curse our socialist motherland and to scrape a living.

In conclusion, Wang Zhen said: Scientific and technological progress is boundless. I hope that both new and old scientists will invent more things.

Lu Jiaxi, vice chairman of the national committee of the Chinese People's Political Consultative Conference; Zhu Guangya, chairman of the China Association for Science and Technology; and responsible persons from the State Planning Commission, the State Education Commission, the State Science and Technology Commission, the Chinese Academy of Sciences, the Communist Youth League Central Committee, and the All-China Youth Federation attended the meeting.

### Spark Plan Summation, Commendation Meeting Held

#### Song Jian Presides

OW0111055891 Beijing XINHUA Domestic Service  
in Chinese 1313 GMT 31 Oct 91

[By reporter Zhuo Peirong (0587 1014 2837)]

[Text] Beijing, 31 Oct (XINHUA)—The Spark Plan, the first scientific and technological plan ever approved by the CPC Central Committee and the State Council with the aim of injecting vigor into the rural economy, has achieved remarkable success since its implementation five years ago. Over the past five years, some 20,000 scientific and technological seeds have been sown and some 10,000 Spark Plan projects have yielded fruitful results. The Spark Plan has also brought in newly accumulated output value of 33.9 billion yuan, created profits and taxes of 8.1 billion yuan, earned more than \$3 billion of foreign exchange, and helped train some 6.5 million technicians for the rural areas.

At today's opening of the national meeting to sum up the Spark Plan during the Seventh Five-Year Plan and to commend advanced collectives and individuals, Li Xiaoshi, vice minister of the State Science and Technology Commission, announced that thanks to the close coordination and efforts of relevant departments, the tasks set forth by the CPC Central Committee and the State Council for the Spark Plan during the Seventh Five-Year Plan have been comprehensively fulfilled.

Leading comrades including Li Peng, Nie Rongzhen, Wang Zhen, Tian Jiyun, Bo Yibo, Song Jian, and others sent their inscriptions to the meeting and congratulated the success of the Spark Plan. Li Peng wrote: "The achievements of the Spark Plan are there for all to see and the achievements have been universally claimed." Nie Rongzhen wrote: "The Spark Plan is a good example of delivering science and technology to rural areas." Wang Zhen wrote: "March toward the new frontier of agricultural science and technology."

State Councillor and Minister of the State Science and Technology Commission Song Jian presided over today's meeting. Attending the meeting were responsible comrades from relevant departments and commissions of the CPC Central Committee; from the State Council; from democratic parties; from people's organizations; and from some provinces, municipalities, and autonomous regions, as well as representatives of advanced collectives and individuals.

Li Xiaoshi highly evaluated the Spark Plan's achievements, noting that it has achieved remarkable economic effects. That the Spark Plan has achieved such remarkable results and produced far-reaching effects can be attributed to the fact that it has explored and found a way that mixes science and technology with the rural economy, which is suitable to our country's condition. Its most important and fundamental contributions lie in the fact that it has set an example for introducing science and technology to rural economy and effectively brought about a historical change in which science and technology are made a pillar in the development of a socialist commodity economy. Therefore, it can be said that the Spark Plan not only has brought in immediate gains but also promises to yield long-term rewards.

Li Xiaoshi outlined the achievements of the Spark Plan at the meeting.

He noted that the Spark Plan has set an example for developing first productive force of science and technology and for raising productivity. Under similar conditions, the unit output value generated by projects covered under the Spark Plan is two times more than other similar projects. The concrete facts have brought about a rapid change in traditional but artless thinking among peasants. The thinking of relying on science and technology to develop a commodity economy has taken root, and a reverence for science and technology and education and a respect for talent has become a trend in rural areas.

The growth of the pillar industry of the Spark Plan has brought a readjustment of product mix in the rural areas. Some 300 Spark Plan-related industries have begun to take shape. A socialized service system which goes hand in hand with the development of Spark Plan-related industries has been established, which not only helped create experiences for putting in place an operating mechanism for a new commodity economy system in rural areas but also paved a way for practicing a dual management system in rural areas.

The Spark Plan strove to raise the technological and management levels of village and township enterprises. Eighty percent of Spark Plan's development tasks have been directly assigned to the village and township enterprises and they have undertaken 60 percent of the Spark Plan projects. This has helped solve key technical problems for some major enterprises; it also raised the economic performance in these enterprises by six fold as compared with the same level of other enterprises in the



nation and led the rural industry in the march toward the road of relying on science and technology to achieve technological progress and raise labor quality.

The Spark Plan has set a precedent for using bank loans, raising funds from social circles, and relying on individual financial sources to help finance investment in science and technology. Of the total investment of 17.1 billion yuan in the Spark Plan, 90 percent was financed by bank loans or through individual financial sources. This is a new approach to help solve the difficulties in obtaining funds for scientific and technological research.

The Spark Plan has set itself a task of discovering and training talents and has induced millions of scientists and technicians to help construction in the rural areas. Some 10,000 scientific and technological organs are now directly serving the rural economy. They have helped train a new generation of scientists and technicians in rural areas and promoted a still deeper level of development in reforming scientific and technological reform in rural areas.

#### Li Ruihuan, Others Award Workers

OW0211075091 Beijing XINHUA Domestic Service  
in Chinese 1052 GMT 1 Nov 91

[By reporters Xu Yaozhong (1776 5069 0022) and Zhuo Peirong (0587 1014 2837)]

[Text] Beijing, 1 Nov (XINHUA)—At the Great Hall of the People today the State Science and Technology Commission ceremoniously commended advanced individuals and collectives who had made contributions to the Spark Plan.

Li Ruihuan, member of the Standing Committee of the CPC Central Committee Political Bureau; Wen Jiabao, alternate member of the Secretariat of the CPC Central Committee; Liu Lantao, member of the Standing Committee of the Central Advisory Commission; Song Jian, state councillor and minister in charge of the State Science and Technology Commission; Hong Xuezhong, vice chairman of the National Committee of the Chinese People's Political Consultative Conference, and other leading comrades attended the award ceremony and presented awards to representatives of the winners.

The Spark Plan was first implemented on a trial basis in 1985, and formal implementation of the plan began in 1986. The plan has yielded highly visible and brilliant results. Tens of thousands of scientists, technical workers, and people of other relevant industries and professions have dedicated themselves to the implementation of the plan, making important contributions to advancing science and technology and economic development in rural areas. The 1,939 advanced individuals and collectives commended today were representatives of those who had dedicated themselves to the plan. These representatives included 887 advanced Spark Plan management individuals from across the country, 290 advanced Spark Plan scientists and technical workers

from across the country, 332 advanced Spark Plan entrepreneurs from across the nation, 119 winners of honorable prizes of the Spark Plan, and 311 advanced Spark Plan collectives from across the country.

Song Jian spoke at the award presenting ceremony. On behalf of the State Council, he extended warm congratulations to award winners and saluted and expressed his heartfelt thanks to comrades of all industries and professions who had made contributions to invigorating agriculture through promoting scientific education and to the implementation of the Spark Plan.

Song Jian pointed out: Implementation of the Spark Plan has paved the way for invigorating agriculture through promoting scientific education, for establishing a socialized science and technological service system, and for ensuring healthy development of township and town enterprises. It has created an effective way to integrate science and technology with the economy and to commercialize scientific and technological research results, and has opened up a feasible way to develop the rural economy. The Spark Plan, like a flag, has led hundreds of millions of peasants to gradually free themselves from the outmoded idea of the natural economy, to begin their journey of using science and technology to develop a rural commodity economy, and to march toward the goal of socialist modernization. The Spark Plan and other plans designed to invigorate agriculture through promoting scientific education are successful experiments for liberating and developing the first productive force of science and technology, and are a beneficial exploration to building new socialist rural areas.

Song Jian said: Invigorating the rural economy through promoting scientific education is a heavy task entrusted to us by the times. In the 1990's, the state will continue to mobilize and encourage scientists and technical workers to promote science and technology in rural areas and to build their careers in township and town enterprises. At the same time, we will strengthen the foundation and reserves for developing agrotechnology, develop more practical technologies and equipment, and take various means to further integrate these technologies and equipment with the rural economy. Song Jian urged governments at all levels to strengthen leadership over promoting science and technology in rural areas, and urged all sectors of society to continue to show concern for and give support to invigorating agriculture through promoting scientific education to enable work in this area to further develop in depth and in scope.

#### Exposition on Spark Plan Achievements Held

OW0611002391 Beijing XINHUA Domestic Service  
in Chinese 0907 GMT 2 Nov 91

[By reporter Zhuo Peirong (0587 1014 2837): "The National Exposition of the Spark Plan's Achievements During the 'Seventh Five-Year Plan' Opens"—XINHUA headline]



[Text] Beijing, 2 Nov (XINHUA)—A large-scale national exposition of the Spark Plan's achievements during the "Seventh Five-Year Plan" opened in Beijing today.

Accompanied by lively and lighthearted music played by the Young Pioneers' band, Peng Chong, vice chairman of the National People's Congress Standing Committee; Kang Shien, member of the CPC Central Advisory Commission Standing Committee; and Song Jian, state councillor and minister of the State Science and Technology Commission, cut ribbons for the exposition.

Illustrated mainly with actual items as well as some photographs, models, and descriptions, covering an area of 11,000 sq m, the exposition vividly exhibits more than 4,000 outstanding achievements of the Spark Plan. These achievement exhibits are from 45 exhibition groups from 30 provinces, autonomous regions, and municipalities, 14 cities with independent economic decision-making powers, and the Ministry of Aeronautics and Astronautics Industry. The exhibits involve areas such as machine-building and electronics industry, light industry, textile, construction materials, chemical industry, medicine, and food. The exhibits mainly concentrate on five aspects, including planting, breeding, agricultural and by-products processing, packing and food-processing, and preventing and combating pollution and saving energy. During the exposition, demonstrative activities on technological exchanges and technological projects will be held. Out of 430 exhibition stalls, 60 stalls will be specially selling daily products produced from the Spark Plan's achievements.

Authoritative persons evaluated this exposition as underscoring and reflecting the Spark Plan's achievements over the past five years that have been witnessed and praised by all concerned. The exposition will present to the society an aspect on how the Spark Plan has explored and found a feasible way to develop the rural economy by opening up an effective way that mixes science and technology with the economy, and that promotes commercialization of scientific and technological achievements. It once again informs people that once science and technology are combined with the enthusiasm and creativity of the masses of the people, they will become a powerful force propelling social progress.

The exposition will end on 7 November.

#### **Qiao Shi, Others See Exhibit**

OW0511043191 Beijing XINHUA Domestic Service  
in Chinese 1407 GMT 4 Nov 91

[By Central People's Broadcasting Station reporter Liu Zhengying (0491 2182 5391) and XINHUA reporter Sun Benyao (1327 2609 1031)]

[Text] Beijing, 4 Nov (XINHUA)—While visiting a national exhibition on achievements of the Spark Plan during the "Seventh Five-Year Plan" period, Qiao Shi, Song Ping, and Li Ruihuan, Standing Committee members of the CPC Central Committee's Political Bureau, pointed out that the Spark Plan has been carried out in a

precise and effective manner, that the achievements exhibited reflect the great roles of science and technology as the primary productive force, and that these achievements are very heartening. They also pointed out that in the future, we should improve still further our efforts to implement the Spark Plan.

Comrades Qiao Shi, Song Ping, and Li Ruihuan separately visited the Beijing Exhibition Hall yesterday and this evening to view the national fair on achievements of the Spark Plan during the "Seventh Five-Year Plan" period. The exhibition hall was brilliantly illuminated, and outstanding Spark Plan achievements from various localities were a feast for the eyes. Written on the front wall of the hall were big characters reading: Shower the kindness of science and technology on the world. A continuous stream of people has visited the exhibition since its opening.

Comrades Qiao Shi, Song Ping, and Li Ruihuan carefully viewed various exhibits displayed at the fair and listened earnestly to briefings by relevant personnel. Qiao Shi and other leading comrades were delighted to see that various localities have applied the scientific and technological achievements to many sectors and industries as machinery, electronics, the light industry, the textile industry, construction materials, the chemical industry, and medicine. In particular, they were delighted to see the achievements applied mostly to such industries as planting, breeding, processing of agricultural and sideline products, packaging, food processing, pollution prevention and control, and energy conservation.

Qiao Shi and other comrades spoke highly of the Spark Plan, which has been carried out nationwide. They said that it has opened up an effective means for the integration of science and technology and the economy, has promoted the commercialization of scientific and technological achievements, and is the way to make the people prosperous and the country strong. They hope that the nationwide Spark Plan will begin as soon as possible a trend of scientific and technological development that will set the prairie ablaze.

Other leading comrades who visited the national fair on the achievements of the Spark Plan during the "Seventh Five-Year Plan" period were Wen Jiabao, Liu Lantao, Li Desheng, Chen Xilian, Ji Pengfei, Kang Shien, Seypidin Aze, Song Jian, Wang Guangying, and Ma Wenrui.

#### **International Spark Plan Cooperation Viewed**

OW0311232291 Beijing XINHUA Domestic Service  
in Chinese 2140 GMT 2 Nov 91

[By reporter Zhuo Peirong (0587 1014 2837)]

[Text] Beijing, 3 Nov (XINHUA)—Having achieved "universally acknowledged and acclaimed" success since its implementation over five years ago, the Spark Plan—designed to promote practical technologies and rejuvenate local economies—is making its effects felt abroad. Assessing the significance of this change, a relevant

responsible person from the State Science and Technology Commission said that the time has come for internationalizing the Spark Plan.

The Spark Plan has helped numerous village and town enterprises renew their products rapidly and become competitive in international markets. Projects covered by the Spark Plan earned more than \$3 billion during the past five years. Technologies under the Spark Plan are especially appealing to developing countries in terms of technological levels, applicability, and performance-price ratios. Developed countries have demands for certain labor-intensive Spark technical products as well as for our country's unique machinery and technology for processing grain and edible oil.

The scope of international cooperation under the Spark Plan has expanded further since last year. It has evolved from technological cooperation to comprehensive cooperation in financial, management, and personnel matters. Cooperative ties with 13 countries have been forged under the Spark Plan. China and Belgium have included "Rural Integrated Purifier"—a Spark project—into their 1991 plans for government-to-government cooperation. China and Finland have instituted two Spark cooperative projects—"Plan for Forestry Development in Jilin's Yanbian" and "Biotechnological Applications in the Feed Industry." China has also carried out cooperative projects with Brazil on certain planting technologies and on multiple processing technologies for agricultural products.

An exhibition on China's Spark Plan-related scientific and technological achievements was held in Thailand at the end of last year. The exhibition earned 100 million yuan in transactions. Thai business circles termed the exhibition "an unprecedented and historic exhibition of applied science and technology."

After visiting China to inspect aspects of the Spark Plan, the UN Economic and Social Commission for Asia and the Pacific commented: Many developing countries implemented similar plans during the 1960's, but none of them were successful. Only China has found the road to success. The success of the Spark Plan has important practical significance for rural economic development in the Asia-Pacific Region and in the entire Third World. The commission recommended that a "Spark" demonstration zone be established in the Asia-Pacific region, and that Chinese experts provide consulting services in the zone.

The number of countries and international organizations planning to visit China or requesting information on the Spark Plan is growing. Organizers of some international conferences have specifically invited Chinese experts to introduce the Spark Plan. The World Bank recently approved a \$110 loan for the plan. Relevant UN organizations have filmed special movies on the Spark Plan.

### Seminar Views Invigorating Counties With S&T

HK0111110191 Wuhan Hubei People's Radio Network in Mandarin 1000 GMT 30 Oct 91

[Excerpt] The four-day first national theoretical seminar on invigorating counties through application of science and technology ended in Yichang County today.

A total of 200 representatives from 22 provinces and cities and 87 counties across the land attended the plenary meeting and submitted 150 theses.

Governor Guo Shuyan sent a congratulatory message to the seminar: Develop key industries and invigorate regional economies by applying scientific and technological achievements.

Vice Governor Han Nanpeng attended the meeting to extend greetings.

Li Xiaoshi, vice minister of the State Science and Technology Commission, delivered a speech entitled: There Are Bright Prospects for Developing Counties Through Application of Scientific and Technological Achievements; Contribute To Attaining the Second-Step Strategic Objective.

The meeting participants expressed the belief that to develop the rural economy by applying scientific and technological advances, we should solve the following problems:

1. We must have a full understanding of the actual conditions in our country and particular counties and make a strategic plan for invigorating counties through application of scientific and technological achievements, in line with actual conditions.
2. We must arrive at the truth of the thesis that science and technology constitute a primary productive force and put the theory into practice.
3. While carrying out the strategic plan for developing counties through application of scientific and technological achievements, we must continue to deepen reform and open more widely to the outside world.
4. We must step up the training for peasants and make an overall plan for developing the rural economy.

The meeting participants spoke highly of the achievements Yichang County has made in invigorating the county by applying scientific and technological achievements over the last few years. [passage omitted]

### Agricultural Achievements Noted

OW0211093291 Beijing XINHUA in English 0854 GMT 2 Nov 91

[Text] Wuhan, November 2 (XINHUA)—China has scored impressive achievements in its effort to implement a state plan designed to promote the country's rural economy by developing science and technology.

According to information released at the First National Forum on Promoting the Country's Rural Economy, a system to disseminate agricultural science and technology has taken shape in the country's vast rural areas. The system includes the promotion of quality crop varieties and advanced agricultural protection technology.

The forum, which is being held in Yichang City, Hubei Province, has attracted county officials from 87 counties in more than 20 provinces.

China has initiated a number of programs to introduce science and technology to agricultural production, including the "Spark Program" in 1986, the "Harvest Program" and a number of other programs, which aim at enhancing a comprehensive development of the country's agriculture. These programs have helped the country transform 3.2 million hectares from low- to high-yield, and open 5.3 million hectares of previously uncultivated land. The direct result of the programs has been an increase of over 3.65 billion kilograms in the production of various edible crops, and over 80,000 kilograms of cotton.

China has also increased its grain production by 17.4 billion kilograms over the past five years due to the application of practical technology on some 66 million hectares.

In addition, more than 7,000 scientific and technological advances have been recorded each year, and, thus far, over 60 percent of the advances have been introduced to rural areas. Some 30-40 percent of the annual increase in grain output can be attributed to the introduction of science and technology.

According to information released at the forum, over 66 percent of the provinces and 20 percent of counties in China have adopted strategic planning and undertaken concrete steps to enhance their respective rural economies.

By the end of 1990, over 60 percent of China's more than 1,900 counties had appointed deputy county leaders charged with the development of science of technology.

In addition, over 500,000 technicians travel to the country's rural areas each year to assist local farmers.

#### **Shaanxi Hosts Sixth National Invention Exhibition**

*HK2910032591 Xian Shaanxi People's Radio Network in Mandarin 0030 GMT 24 Oct 91*

[Excerpts] The opening ceremony of the Sixth National Invention Exhibition was held in the Provincial Industrial Exhibition Hall this morning.

At 0930, Zhou Ping, State Science and Technology Commission vice minister, declared the Sixth National Invention Exhibition open.

Wu Heng, China Invention Association president, delivered an opening speech. [passage omitted]

Bai Qingcai, chairman of the Sixth National Invention Exhibition Organization Committee and provincial governor, delivered a speech at the opening ceremony. On behalf of the provincial party committee and government, he extended congratulations to the exhibition.

Liu Lantao, Central Advisory Committee Standing Committee member, cut the ribbon at the opening ceremony. An Zhiwen and Qiang Xiaochu, Central Advisory Committee members; Gao Lulin, State Patent Bureau chief; Feng Rumin, deputy director of the State Science, Technology, and Industry Commission Planning Department; some leaders from Jilin Province, Ningxia Hui Autonomous Region, Shanxi Province, Shandong Province, and Hebei Province, including Huo Minguang, Liu Guofan, Wu Jingzhou, Li Chunxun, and Lu Feng; Li Huiyuan, Fourth Military Medical University vice commandant; and others attended today's opening ceremony.

Provincial leaders, including Li Xipu, Zhou Yaguang, Li Huanzheng, Zhao Huanzhi, Liang Qi, Zheng Silin, Jiang Xinzhen, Yiu Dizhou, Shen Jin, and Liu Pingxi, as well as Xian City leaders, including Chen Andong and Cui Lintao, attended today's opening ceremony.

Chairman Wu Anquan and executive member Liu Bingzhi from the Taiwan Provincial Association of Inventors also attended today's opening ceremony.

#### **Song Jian Hosts Meeting on Environmental Group**

*OW0211003791 Beijing XINHUA in English 1514 GMT 01 Nov 91*

[Text] Beijing, November 1 (XINHUA)—A scientific advisory group under the State Council Environmental Protection Committee was established here today.

The advisory group is a state senior advisory organization which provides consultation proposals for state environmental protection decision making.

The major task of the group is to provide scientific proof for the state policy, lines and major decisions concerning environmental protection, to put forward the proposals, to inspect and investigate environmental protection work and to take part in various environmental protection activities at home and abroad.

Yu Guangyuan, Li Yining, Ma Yi, He Kang and 15 other well-known experts and scholars were invited to be members of the scientific advisory group.

State Councillor Song Jian hosted today's conference.



## Economic & Agricultural

### Large Enterprises Seek To Expand Overseas

HK0111054791 Hong Kong WEN WEI PO in Chinese  
31 Oct 91 p 3

[By staff reporter Chen Chien-ping (7115 1696 1627):  
"State Council To Apply Preferential Policy To Help  
Large Enterprises Develop Overseas Business"]

[Text] Beijing, 30 Oct.—A "Symposium on Chinese Enterprises' Multinational Operations Policy," sponsored by the State Council's Department of Policy Research and other institutions, will be held from 2 to 4 November in Beijing. The sponsors deem it necessary to implement a preferential policy toward large enterprises and effectively increase the advantages of large enterprises and enterprise groups in making direct overseas investments. Every possible effort should be made to create conditions for Chinese enterprises to compete with foreign multinational enterprises on an equal footing and give internationalized enterprises relatively complete, ample operational decision-making power. The topic of the meeting shows that China is working for the development of large, key enterprises and enterprise groups with multinational operations.

According to analyses by a department concerned, China's overseas investment enterprises have the following features: 1) They invest over a wide area, but mainly in Hong Kong and Macao; 2) they invest in many trades but the development of natural resources and trade account for a large proportion; 3) they invest mainly in joint ventures, especially new ones; 4) their average scale is small; and 5) those making productive overseas investments are mostly large and medium-size enterprises.

According to statistics, by the end of last August China had approved the establishment of 911 noncommercial enterprises of all types overseas, with a total contracted investment volume of \$2.47 billion. Of this amount, the Chinese side invested \$1.07 billion, accounting for 43.3 percent of the total. These enterprises are scattered over 101 countries and regions in five continents. Moreover, by the end of 1990 there were over 800 Chinese commercial enterprises overseas (not including those set up in the Hong Kong and Macao area).

The sponsoring institution holds that large, key state-run enterprises and enterprise groups are China's pioneers in developing multinational operations and serve as an objective basis on which China's future multinational corporations may grow.

Although it is difficult for China's large and medium-size enterprises to match large foreign multinational corporations at present, China's large and medium-size enterprises have their own unique advantages in competition, including small-scale production technology, some special technologies and technologies suitable for labor-intensive products, low labor and management costs, and the support of the domestic market. It is entirely

feasible for them to rank among the world's multinational corporations. They say: At the present stage, making direct overseas investment of suitable amount and in the proper places will not hamper domestic economic growth. On the contrary, they will help the readjustment of China's industrial structure and export industrial structure. This will not only add a new economic vitality to China's enterprises, but will also open up a broader path for their development.

### Multinational Companies To Increase Activities

HK0311062791 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 3 Nov 91 p 1

[By staff reporter Yuan Zhou: "New Pledge for Overseas Assets"]

[Text] The domestic call for faster development of Chinese multinational companies has become louder as the country has committed more funds to assets spread over 101 countries and regions.

Figures disclosed at a seminar last weekend on the management policies of Chinese multinationals showed that by August, the country had put up funds totalling \$1.06 billion in 911 firms, accounting for almost 43 percent of their entire investment.

These firms are mainly in the United States, Canada, Australia, Germany, Brazil, Japan, Singapore, Malaysia, Hong Kong and Macao. Eighty-nine of these firms involve funding from China \$1 million or more.

Of these, 652 are already in operation. And among these, 67 are running at a loss and 73 have closed down as a result of "lack of experience."

Eleven provinces and municipalities have opened businesses abroad.

Officials from the Ministry of Foreign Economic Relations and Trade (Mofert) said that more than 400 joint venture projects in 90 countries and regions were under discussion.

The three-day seminar, which drew foreign trade officials, senior executives and academics, discussed the future strategies and policies for Chinese multinational companies.

Chen Yongcai, a senior Mofert official in charge of foreign co-operation, said that after 12 years of experimentation, China was ready to invest in multinational businesses abroad. However, China needed to improve its policies to support the fledgling business, he said.

Approval procedures must be simplified, he said, adding that the government would tighten overall control of capital flow, investment scale and management styles.

Sun Weiyan, president of the University of International Business and Economics which hosted the meeting, suggested that national foreign trading firms, enterprise



groups, and large industrial, technological, financial and service firms should take the lead to invest abroad.

It would be symbolic of a well-developed open Chinese economy if these firms were to edge into the ranks of major international multinational corporations by the beginning of next century, said Sun, who also chairs a multinational corporation centre at his university.

In the future, Mofert officials said, China would make more efforts in development of fisheries, forestry and mining abroad and increase production of machinery, chemical, metallurgical and electronic products. In addition, more assembly lines, maintenance shops and other small productive enterprises would be opened.

At present, China mainly invests in small and medium-sized projects in forms of equipment, technologies, labour and overseas loans.

The Chinese investments are in the fields of resource development, contracted projects, transport, finance, insurance, medicine, health, consultancy and catering.

#### **Bank of China To Support Foreign-Funded Project**

HK0311061691 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 3 Nov 91 p 1

[By staff reporter Wang Xiangwei: "BOC Singles Out Firms for Loan Programme"]

[Text] Foreign-funded firms, key infrastructural projects and large export-oriented enterprises will be in line for hard-currency loans in the current Five-Year Plan (1991-95).

The Bank of China [BOC], the country's major foreign exchange bank, will give "active support" to the key projects on such sectors as energy, transportation, telecommunications and important raw materials.

In particular, the bank has singled out mid-size and large industrial enterprises as the major beneficiaries because the central government is urging officials and factory managers to rejuvenate those enterprises.

Another beneficiary will be the big earning foreign-funded enterprises, of which there were 34,088 at the end of June.

Tu Jianji, the bank's deputy governor, outlined the plan at a national meeting held in Guilin of the Guangxi Zhang Autonomous Region earlier this month.

The bank plans to increase hard currency loans by an average 12.8 percent a year in the next five years.

Tu said key projects and mid-size and large state-run enterprises were the backbone of the national economy and major revenue generators. Some were also major exporters and hard currency earners.

Particular attention would be given to technical renovation projects of mid-size and large enterprises which had

proved themselves to be strong economically, capable of the debt service, and enjoying buoyant foreign exchange earnings.

The central government has made it a priority to find ways of lifting mid-size and large enterprises out of the mire of low economic efficiency and unresponsiveness to market demand.

Enterprises which contributed the bulk of government revenues in the past have witnessed their share in the national economy declining sharply in recent years. Official statistics show that 36 percent of state-owned enterprises are in the red, which economists blame on a string of deeply entrenched problems such as red tape, overstaffing, low efficiency, huge debts, and poor quality products.

They have suggested that the central government introduce more market elements such as shareholding, and corporate and bankruptcy laws.

Tu urged local BOC officials to give continuous support to some export-oriented enterprises which had trouble servicing hard currency loans.

He said that as China neared the peak period of repaying its foreign debts, the shortage of hard currency would worsen. So hard currency loans should go to support export-oriented projects for the long haul.

Tu called for simpler procedures and high efficiency on banking services to export-oriented foreign-funded firms, which would be the bank's main clientele.

By the end of 1990, foreign investors had committed \$37 billion to such firms. In return, they generated 73.4 billion yuan in output value in 1990 alone, accounting for 3.1 percent of the country's total industrial output value.

Tu said that in the last Five-Year Plan (1986-1990) BOC provided \$850 million in hard currency loans on fixed assets and 1.48 billion yuan in Renminbi loans.

By the end of 1990, the bank had provided loans to 7,000 foreign-funded enterprises, accounting for 50 percent of the total number of foreign-funded enterprises which started operation.

#### **Tianjin's International Activities Increase**

HK0311051191 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 3 Nov 91 p 1

[By staff reporters Zhu Ling, Qu Yingpu: "Tianjin To Lead China's Reforms Into 1990s"]

[Text] Tianjin—This port city in North China is quietly moving to the forefront of the country's march towards the international market. Its ambition is to lead the way as the nation's economic reforms gather pace in the coming decade.

With a population of eight million, Tianjin is already taking the lead in opening new territories to market forces.

It is the first city on the Chinese mainland to open a low-tax, tariff-free trade zone, one of the first to allow foreign banks to operate and it will soon become the first to have direct sea and air links with South Korea, which does not have diplomatic relations with China.

All these efforts are being made to turn Tianjin, the third largest city in China, into a metropolis that will bring 100 million Northerners abreast of the present front runners in the South, such as the Cantonese.

"We hope to get another \$3.3 billion in foreign investment by 2000 to help achieve this goal," Mayor Nie Bichu told *Business Weekly*, adding that the city's GNP by then would be 61.4 billion yuan (\$11.4 billion)—1.06 times the present figure.

Most of the foreign investment would be guided towards textiles, and the metallurgical, electronics, machine-building industries, and light industry, said Nie 63, who has been mayor since 1989.

"We will earmark most of the money for the renovation of our existing enterprises," he said.

To drum up more foreign investment, Nie visited Japan and the European community earlier this year, talking with such influential companies as the Canon Corporation of Japan.

"While some smaller companies decided to invest in Tianjin," Nie said of his visits, "some big names also started negotiating to lease parcels of land in Tianjin for development."

Besides the Japanese, business people from Taiwan and South Korea are also in negotiation, said the upbeat mayor, welcoming the international economic wind that is blowing through the city.

Sometimes called "The Doorway to Beijing," Tianjin is just 120 kilometres southeast of China's capital.

It is expected to open a sea route to Incheon either next month or in January, with a vessel which can carry more than 600 passengers and 100 containers. Cargo planes are ready to fly between Tianjin and Seoul "very shortly."

"Tianjin's cheap labour and land together with the capital and technology of South Korea and Japan would bring Northeast Asia into a new prosperous era," he said.

Eying the opportunities for Tianjin in the unified EC market after 1992, Nie said Tianjin is considering whether to establish joint ventures in some EC countries.

"We can export semi-finished products to these ventures which will be our foothold in the unified EC market after 1992," he said.

Other markets Tianjin would spare no efforts to further cultivate are the United States and Southeast Asia, Nie said, adding that countries like Viet Nam, Cambodia and Laos would need China's technology for post-war construction.

The mayor said he is confident that his city would become a "shining new star" over North China.

He listed some of Tianjin's many advantages:

- Backed by a huge market of two million square kilometres which was left behind the rest of the nation during the 1980s;

- A strong, skilful workforce bred in this traditional industrial hub;

- Convenient transport by sea, air and land. Its port, one of the biggest in China, links Tianjin with 300 ports throughout the world, while the biggest freight airport is to be constructed here;

- roughly one million mu (67,000 hectares) of land for foreign leasing for industrial development, a rare advantage few other big cities in the country can boast of;

- The only big city in China that has an oilfield with an annual production capacity of three to four million tons. Other resources like salt, coal and iron are within 500 kilometres of the city.

Because of these favourable conditions, foreign investment in Tianjin witnessed sharp growth.

During the first nine months of this year, the city approved 234 foreign-funded projects with a total promised foreign investment of \$56 million, 157 percent and 34 percent respectively more than during the corresponding 1990 period.

Such countries as Hungary, Brazil and Peru have put money into the city for the first time this year, bringing the total foreign investors to 29 countries and regions.

#### 'New Surge' Seen in Overseas Investment

OW0211094191 Beijing XINHUA in English  
0635 GMT 2 Nov 91

[Text] Hohhot, November 2 (XINHUA)—China is absorbing a new surge of overseas investment.

Statistics of the Ministry of Foreign Economic Relations and Trade show that China approved 18,000 foreign-funded enterprises from 1989 to June of this year, a sum greater than the total of the previous 10 years. Contracted investments amounted to 16.75 billion U.S. dollars, 64 percent of the total of the preceding decade.

Most noteworthy is that in the first half of this year, 5,028 joint ventures or other kinds of foreign-funded enterprises were incorporated and approved, representing an 80.6 percent increase. The newly incorporated

firms involve a total investment of 4.55 billion U.S. dollars, indicating a 93.5 percent increase.

The substantial growth of investment has permitted more funds to flow into the manufacturing sector, enterprises equipped with advanced technology, and export-oriented firms.

The new surge of foreign investment has been triggered by the opening of Shanghai's Pudong new area to the outside world. Since the State Council decided to open Pudong three years ago, the joint ventures and other foreign-funded enterprises have jumped from 37 to 135, with a total investment of 420 million U.S. dollars. The opening of Pudong has also made other cities along the Yangtze River more attractive. The Yangtze River Valley, which accounts for 20 percent of China's land area and half of China's economic power, is expected to become the second group of open regions after the coastal regions.

The impact of the opening of Pudong has also induced inland areas to boost their production of energy, raw materials, transportation facilities, telecommunication networks, and more. They also have attracted overseas investors by providing preferential treatment in terms of taxation, land use fees, and supply of loans and raw materials.

Inner Mongolia Autonomous Region's "Nadam" festival, held last August, attracted hundreds of overseas firms. In the past seven months, the region has approved 25 overseas investment firms, a big jump up from the total of 47 approved in the past six years. A trade official of Inner Mongolia said that the region is now building a chemical plant with a Japanese loan, developing the Jungar coal field with a World Bank loan, and erecting a thermal power plant with a French loan. By the end of this year, foreign-funded enterprises in the region will exceed 100 and the total of foreign investment will surpass 100 million U.S. dollars.

Yunnan Province and Guangxi, Xinjiang, and Ningxia Autonomous Regions in Western China have opened more than 100 trade outlets with the dozen odd countries bordering China. To facilitate trade with these western regions, Chinese economists have suggested setting up three open areas extending from Heilongjiang in the north to Xinjiang in the west to Guangxi in the southwest.

Meanwhile, the Chinese Government will continue to adopt more flexible policies and measures to attract overseas investment. For instance, overseas businessmen can make direct investments in facilities, technology, or property rights; they may also purchase stocks and bonds, lease small state enterprises, purchase and transfer land use rights, and own property.

In addition, the burden of debts has grown increasingly serious with each passing day. The scope of national debts, internal and external, expanded from 28.3 billion yuan in 1989 to 37.5 billion yuan in 1990. According to

economic circles, financial deficits are divided into "hard and soft" categories, with the budgetary deficit falling into the "hard" category and borrowed revenue in the "soft." If borrowed revenue is handled as "soft" deficit, the 1990 financial deficit should be 51.4 billion yuan, which is equal to 15 percent of the gross financial revenue of 1991, accounting for 3 percent of the GNP for the same year. Under such circumstances, it is quite beyond the state finance to repay the debt principal and interest through normal financial revenue and it has to issue new debts to repay old ones. Such practice may ease the stress for the time being but will eventually increase pressure for debt repayment in the future.

Furthermore, the hidden danger in finance is gradually making itself felt. According to statistics, by the end of 1990, the debt arrears shaped from deficits of enterprises and finances at all levels added up to scores of billions of yuan. Those debt arrears were potential deficits, with equal danger as a deficit in the book to the economic life. At the same time, because many enterprises failed to handle all sorts of losses in recent years, along with devaluation of overstocked goods and equipment and insufficient retainment for cost, the potential deficit was rather grave. According to calculations by financial departments through research, the potential deficit of state-run industrial enterprises nationwide alone was up to 50 billion yuan. Some enterprises were sitting idle and eating up their assets and have become empty shells with their assets failing to cover their debts.

#### What Accounts for the Financial Difficulties

Economy is the base; financial resources will expand and revenue increase only with the economy developed. Presently, however, enterprises' economic returns are poor, restricting the steady growth of financial revenue. Over a long period, China's economy has been in a state of extensive operation, with the production capacity of many products exceeding the supply capacity of raw materials and market demand; in addition, because of low technological levels, poor management, great input but small returns, the state financial revenue derived from state-run enterprises has shrunk with each passing year and the financial resources base is frail. Take the industrial enterprises within the budget, for example. The profit yielded from every 100 yuan of capital dropped from 13.9 yuan in 1985 to 2.7 yuan in 1990; the profit and tax yielded from every 100 yuan worth of goods marketed dropped from 24 yuan in 1985 to 14.5 yuan in 1990. Should the profit and tax rate of every hundred yuan worth of goods marketed rebound to the 1985 level, the industrial enterprises inside the budget will bring in an extra 80 billion yuan in profit and tax.

Developing the economy is, in a way, like baking a larger "cake" but how to cut the "cake" involves a distribution policy and structure. In recent years, the state's funds have been excessively dispersed, with the proportion of financial revenue in national income shrinking, dropping from 31.9



in 1979 to 21.7

in 1990. Distribution of national income especially has been excessively preferential to the individual. According to statistics bureau figures, the proportions for the state, the collective, and the individual in the national income were 20.9, 20.4, and 58.7

respectively in 1985 but, in 1990, the proportions between the three were 16.2, 21.8, and 62

respectively. Calculated according to the 1990 GNP, the portion that went to the state was cut back by some 80 billion yuan, whereas the individual share increased by some 57 billion yuan. Such a preferential policy resulted in a relative cutback in the financial strength for the state to maneuver around, while the enterprises also lacked staying power for their development. At the same time, the restriction resulting from the contracted responsibility structure of localities also resulted in a shrinkage in the proportion of the central financial revenue in the state financial revenue, dropping from the previous 60

to around 48

in 1990, with the central macrocontrol capability gravely reduced.

Expenditure must be kept within the limit of revenue. One must act according to one's capability while refraining from being impatient for success. Nevertheless, financial expenditure in recent years has exceeded the growth in revenue, with the problem of revenue falling short of expenditure becoming increasingly serious. Calculated in terms of comparable items, internal financial revenue increased by an annual average 8.7

(it was 7.6

deducting internal revenues from debts) during the Seventh Five-Year Plan, while internal financial expenditure during the same period increased by an average annual 9.9

and the accumulated sum of expenditure in five years was 46.07 billion yuan in excess of revenue. Aside from factors for normal growth such as national key projects, education, science, technology, defense, and supporting agriculture, what accounted for the rapid growth in financial expenditure was the expansion of organs and significant increase in personnel, price subsidies, and subsidies for enterprises suffering from deficits. Statistics show that the number of personnel maintained by budgetary expenditure in 1979 was some 15 million but, in 1990, the number had increased to some 28 million, with expenditure for wages increasing by a wide margin.

Prior to the Third Plenary Session of the 11th CPC Central Committee, China's finance suffered from excessive centralization, which was unfavorable to giving play to the enthusiasm of all aspects. The power of localities and enterprises was gradually expanded in the wake of 1979 but now, dispersion of financial power and resources and problems of

the disintegration of the finance's function have surfaced. In recent years, quite a few localities and departments have set up funds of all descriptions, being free of budgetary control; or raised the prices of some products, retaining the proceeds for their own use; or arbitrarily reduced and exempted taxes. All such practices have resulted in a shrinkage in the area of the central finance's participation and distribution of national income, with voluminous funds circulating outside the state finance's control, a relative shrinkage in the scope of the finance's revenues and expenditures, and inertia in growth, while restricting the play of finance's functions. In addition, some localities and departments suffer from confused distribution order, relaxation in financial discipline, and unprincipled administration. All this resulted in losses in revenue and wasted expenditure which have aggravated the state's financial difficulties.

### What Is the Way Out for State Finance?

Financial difficulties are the comprehensive reflection of all sorts of contradictions in economic life, bringing about strong reactions to the economy. Should the financial difficulties remain unsolved for a long time, this will inevitably widen the gap between general social demand and supply, impede readjustment of the economic structure, and trigger another round of inflation. All this is unfavorable to the continuous, harmonious, and steady development of the national economy and will even lead to political problems affecting social stability and consolidation of the socialist system.

However, financial difficulties have piled up throughout the years, involving some deep-lying issues and interests of all aspects and the solutions are by no means easy. It is particularly necessary to point out that the whole society has not reached common understanding about financial difficulties and their negative effects. Some enterprises and units have failed to proceed from the actual conditions in pursuing construction and running institutes, paying little attention to the overall concept, showing no consideration for work in the order of importance and urgency, and pursuing repeated projects regardless of financial resources. Consequently, the phenomena of losses, waste, and extravagance are rather grave. All this is unfavorable to resolving the financial difficulties. This being the case, it is imperative to be resolute in adopting firm action in macrocontrol and strive for a basic turn for the better in state finance, by proceeding from the state's basic interest with a long-range view in strategic consideration and mobilizing all social forces.

Experts believe that economic development, deepening reform, readjustment in distribution, control over expenditure, and augmenting management is the basic principle for realizing a basic turn for the better in the state's financial condition. At the same time, it is necessary to: further augment the vitality of large and medium enterprises; improve economic returns; iron out distribution relations; reform, complete, and perfect the taxation and price systems; and magnify finance's functions. Let us strive for a basic elimination of "hard"

financial deficits, gradually making the state financial revenue account for 25 percent of the national income by the end of the Eighth Five-Year Plan, with the central financial revenue accounting for 55 percent of the national financial income by the end of the Eighth Five-Year Plan.

### Guangzhou Center Set Up To Train Export Labor

HK2810015491 Hong Kong *THE STANDARD*  
in English 28 Oct 91 p 1

[By Cary Huang]

[Text] China has set up a national centre to train workers, aiming partly at Hong Kong's massive port and airport projects.

The centre in Guangzhou has been set up to boost the export of labour to booming construction markets.

Guangdong sources said yesterday that following the signing of the Airport Memorandum, Beijing decided to use Guangzhou as a base for labour export to the Southeast Asian and Pacific regions, including Hong Kong. The sources said Hong Kong, with construction of the multi-billion dollar Chek Lap Kok airport about to start, was seen by Beijing as a major potential market for business expansion.

The centre is to train construction workers, technicians and managers.

Liang Shigen, the deputy general manager of the Guangzhou General Construction Corporation, said the training centre had been set up in his company.

"The centre is to train and control the quality of the export labourers for overseas projects, which is mainly aimed at expanding the business in Southeast Asian markets, of course, including Hong Kong's," Mr Liang said.

### Provisional Regulations on Technology Transfer

HK2910101491 Hong Kong *CHING CHI TAO PAO*  
in Chinese No 41, 14 Oct 91 p 13

["China Economic News" article: "State Council Issues Provisional Regulations on Transfer of Technology"]

[Text] Relevant authorities of the State Council have laid down the following provisional regulations governing the transfer of technology:

1. For all technologies of value that need to be transferred, the transferrer and transferee can make the transfer voluntarily and in a mutually beneficial way by consensus through negotiation.
2. The cost of the transfer of a technology is the cost of the technological commodity. The cost should be subject to market conditioning and should be fixed by both parties through negotiation.

3. An intermediary party (including a unit or an individual) that helps conclude the transfer of a technological commodity is entitled to a reasonable remuneration.

4. Both parties to the transfer of a technology should sign a contract on the transfer of the technology.

5. The cost of the transfer of a technology paid by a state-owned enterprise or collective-owned enterprise should be charged to its management expenses. Should the cost be high, it can be paid by installments. Should a percentage be deducted from the newly increased sales volume or profits, it should be charged to the newly increased pretax profits after the transfer of the technology has been made.

6. No income tax will be levied on a state-owned enterprise or a collective-owned enterprise for the transfer of a technology if the net sum total of income therefrom does not exceed 100,000 yuan. The enterprise can retain the exempted tax in its entirety. If the sum total exceeds 100,000 yuan, income tax will be levied on the amount by which it exceeds that figure.

7. No income tax will be levied on a university, college, scientific research unit, or other state-owned institution for the transfer of a technology inside three years. The exempted tax can be retained in its entirety for developing scientific research.

8. Income tax will be levied on an individual for the transfer of a technology according to law.

### Three Major Iron, Steel Bases Planned for 1990's

HK0111142291 Beijing *ZHONGGUO XINWEN SHE*  
in English 1315 GMT 1 Nov 91

[Text] Beijing, November 1 (HKCNA)—According to the authorities, China will have the three iron and steel production bases of Anshan, Baoshan and Qilu each turning out 10 million tonnes annually by the end of this century.

The construction of the Anshan base is now in full swing. It is estimated that the annual steel production capacity of 10 million tonnes can be reached by the middle of the 90's.

The first phase construction of the Baoshan base with an annual steel production of three million tonnes was achieved two years ago. The second phase construction is expected to be finished within this year and the third phase will be completed by the end of this decade when an annual production of 10 million tonnes will be achieved.

The well-established Shoudu Iron and Steel Company is planning to set up a joint venture with Shandong to Construct the Qilu Iron and Steel Company with a planned annual production finally reaching 10 million tonnes. It is planned that the first phase construction will have a capacity of three million tonnes while the target of the second phase construction is six million tonnes, reaching 10 million tonnes by the end of the century.

### Southwest Economic Zone Holds Mayoral Conference

HK2210081291 Nanning Guangxi People's Radio  
Network in Mandarin 1130 GMT 16 Oct 91

[Text] The Sixth Session of the Joint Conference for Southwest Economic Zone Mayors opened in the city of Beihai yesterday. Fifty-two mayors and responsible persons of economic cooperative projects from the southwest economic zone attended the conference. Also present at the conference were responsible persons of the State Council Development and Research Center, the State Science and Technology Commission High Technology Department, the State Nationalities Affairs Commission Economic Department, and the State Council Policy Research Department.

Since the First Session of the Joint Conference for Mayors in 1986, with the sincere efforts of many sides in the southwest economic zone, the lateral economic ties between various cities within the zone have undergone rapid development. At present, long-term and stable cooperative relations have been established between various cities within the economic zone; the scope of cooperation has been extended from industrial projects to projects in such fields as agriculture, science and technology, commerce and trade, and culture; and the ordinary exchange of materials has been developed into a comprehensive technical coordination, which links exchanges of funds, technology, personnel, and materials. Moreover, such technical coordination is developing into more advanced forms, such as the establishment of enterprise groups and joint control over large and medium-sized resource exploration projects.

Facts have proved that the Joint Conference for Southwest Economic Zone Mayors has become a good means in promoting mutual cooperation and bringing about common economic prosperity between various cities within the economic zone. It is also one of the important ways to rejuvenate the southwest region's economy.

This session of the Joint Conference for Mayors will focus on the following subjects:

1. The opportunities and challenges confronting and the countermeasures adopted by the southwest region in its efforts to develop the economy in the 1990's;
2. Ways to persistently carry out opening up, set up united markets, and strengthen connections between enterprises and coordination between trades;
3. Ways to further develop border trade; and
4. Constant improvement of relevant policies on economic cooperation in order to succeed in running economic cooperative companies in various cities.

Negotiations on lateral economic cooperation will be held at the meeting.

In addition, the meeting will determine the chairman of the Seventh Session of the Joint Conference, and discuss issues.

(Shuai Ligu), chairman of the Sixth Session of the Joint Conference and Beihai mayor, gave an opening speech at yesterday's meeting. City Party Secretary (Wang Qinglu) also spoke at the meeting. (Huang Yingqui), chairman of the Fifth Session of the Joint Conference and executive mayor of Chengdu, delivered a report on work during his tenure.

It is learned that since the Fifth Session of the Joint Conference, a total of 278 cooperative projects have been signed between various prefectures and cities, among which 155 have been put into action. The rate of contract fulfillment stands at 56 percent. It is expected that the newly added annual output value will reach 300 million yuan; the total value in exchanging means of production and subsistence, nearly 300 million yuan; the total amount of accommodation funds, 1.2 billion yuan.

(Sun Shangqing), director of the State Council Development and Research Center; and (Yang Jichang), secretary general of the autonomous regional government, attended and addressed the meeting.

### Official on Three Gorges, Chang Jiang Flooding

HK3110085191 Beijing LIAOWANG in Chinese No 38,  
23 Sep 91 pp 8-9

[By staff correspondent: "Three-Gorges Project: Crucial Move To Prevent Floods on the Chang Jiang—Interview With Wei Tingcheng, Chairman of the Chang Jiang Water Resources Committee"]

[Text] This year's massive flooding in the Huai He and Tai Hu deltas as well as the Songhua Jiang caused tens of billions of yuan in economic losses. While no major problems have occurred in the mainstream of the Chang Jiang, the alarm was raised constantly during the flooding periods. Because the Chang Jiang delta is an economically developed region in our country, any problem would have brought about tremendous consequences. As a result, following the massive flooding this year, the question of the Chang Jiang's safety was once again the subject of people's concern. In recent times, concerned central leading comrades have also raised many important views from the angle of safety and flood prevention on the Chang Jiang. They have also repeatedly talked about the Three Gorges Project, which would have an immense impact on flood prevention along the Chang Jiang's middle and lower reaches. So, how is the Three Gorges Project related to flood prevention in the Chang Jiang? This reporter recently interviewed Wei Tingcheng, chairman of the Chang Jiang water resources committee.

### Bulk of the Chang Jiang's Flooding Occurred in Middle and Lower Reaches

Wei Tingcheng has been involved in the harnessing and exploitation of the Chang Jiang for more than 40 years and is quite well-versed on the history of the Chang Jiang's flooding and its current situation.



First, he assessed the pattern and special features of flooding in the Chang Jiang.

The most serious floods along the Chang Jiang delta were caused by continuous heavy rains over a large area. And except for the 400,000 square km-wide area which is some 3,000 meters above sea level in the upper reaches of the Jinsha Jiang and the Yalong Jiang, the remaining 1.4 million square km of the entire delta's area of 1.8 million square km have never been spared from such heavy, torrential rains before. Disastrous floods in the Chang Jiang may be classified into three types: One is flooding over the entire delta. Basically, rains along the upper, middle, and lower reaches would cause flooding in the mainstreams and tributaries above Yuchang as well as in the middle and lower reaches, causing inundations which last very long, carry vast amounts of water, and register very high flood peaks. The floods of 1931 and 1954 are such examples. Two is the upper reaches type of flooding. Heavy, concentrated rains along the upper reaches not only caused catastrophic flooding in the valley along the tributaries of the upper reaches, but also extraordinarily serious floodings with extremely high flood peaks and vast amounts of water in the mainstreams of the middle reaches. They would gravely threaten the Jing Jiang section. Notable examples are the extraordinary floods of 1860 and 1870. Three is the middle and lower reaches type of floodings. These are caused primarily by particularly heavy rains in certain tributaries along the middle and lower reaches, resulting in heavy flooding along these tributaries or certain sections of the mainstreams in the middle and lower reaches. Examples are the catastrophic floodings of the tributaries along the middle reaches of the Chang Jiang in 1935, namely: the Feng Shui, the Qing Jiang, and the Han Shui.

These three types of flooding pose the greatest dangers to the grasslands on the middle and lower reaches. This area spans 126,000 square km. Today, it has some 90 million mu of arable land, 75 million people, as well as a large number of cities, towns and villages, factories, and mining concerns. Generally speaking, the region is some 5-10 meters lower than the level of the flood water. Hence, it always comes under great tension once the waters come, particularly, the Jing Jiang section, which has always been described as the most vulnerable spot along the Chang Jiang.

At this point, Wei Tingcheng recalled the several major floods in the history of the Chang Jiang's. Two hundred fourteen floods, or an average of one every 10 years, have been registered along the middle and lower reaches in the 2,000 years from 185 B.C. to 1911. From 1911 to 1949, seven cases of fairly heavy flooding or an average of one every five to six years were recorded. In particular, the Jing Jiang embankment had burst in 91 years over a period of nearly 600 years starting from the Ming Dynasty to the days shortly before liberation. In 1788, the Jing Jiang embankment above Shashi burst in 22 spots, plunging the city of Jingjiang to the verge of extinction. In 1860 and 1870, extraordinarily heavy

floods took place in the Chang Jiang's upper reaches, transforming the grasslands along the two lakes into an ocean, drowning more than 30,000 square km of land, and causing enormous losses in terms of life and property. In this century, the heavy flooding of 1931 and 1935 put 50.9 million and 22.64 million mu of farmland respectively under water along the Chang Jiang's middle and lower reaches, while the death tolls were 145,000 and 142,000, respectively. In 1931, Hankou city was immersed in water for nearly three months, with boats sailing above what used to be streets and pavements. The Chang Jiang's floods brought grave disaster to the people on both sides of the river.

#### **Enormous Achievements in Flood Prevention Projects in the Chang Jiang Following Birth of PRC, but Three Major Tough Issues Remain Unresolved**

Wei Tingcheng said: Compared with old China, great achievements have been made in flood prevention projects in the Chang Jiang since New China was born more than 40 years ago. He cited some facts and figures:

—In line with the principle of "unified planning, overall development, appropriate division of labor, and clear-cut division of jurisdiction," the Chang Jiang embankment, which had been in a dilapidated state and of poor standards, was rebuilt and renovated, while a more comprehensive embankment system was set up in the middle and lower reaches. At the same time, efforts were made to raise and reinforce embankments which were classified as key, important, or ordinary embankments. By the end of 1989, work was carried out over a total area of 4.05 billion cubic meters of earth and stone, while flood diversion projects, such as the Jing Jiang and Dujiatai flood diversion projects, were completed. A number of flood-diversion and reservoir projects were also planned with total flood diversion capacity of more than 50 billion cubic meters.

—A drainage network (integrating irrigation) in the lake area along the middle and lower reaches was basically completed with a total of 7,000 drainage and irrigation dams constructed and total irrigation and drainage capacity of electrical and mechanical equipment reaching 5.1 million kw;

—A number of water reservoirs were constructed along tributaries of the Han Jiang's Danjiangkou and Zhishuizhe Xi, making a network of hydrological forecasting stations involving several thousand tributaries and greatly stepping up nonengineering measures, such as forecasting floods during flood season and information as well as direction concerning management of flood prevention efforts.

Thanks to this series of flood prevention measures, the annual average of land destroyed by the Chang Jiang flooding went down from the pre-liberation figure of 5 million mu to 1 million mu. Except for 1954, stability and safety have basically prevailed in the Chang Jiang's

middle and lower reaches over the past 40 years. This has played an important role in the economic growth and social stability of this area.

But, Wei Tingcheng maintained that the flood prevention situation in the Chang Jiang's middle and lower reaches remains very grim, with major problems in the following three areas still principally unresolved:

First, the basic contradiction between the huge amount of water discharge from the Chang Jiang's tributaries and the insufficiency of flood-relief channels continues to exist. It is not possible to solve the problem by raising the embankments or constructing flood diversion projects. At present, the Jing Jiang section can safely divert water discharge from the upper reaches at a rate of 60,000-68,000 cubic meters per second; the sections in the vicinity of the Chenglingji can safely divert water discharge from the lower reaches only at a rate of 60,000 cubic meters per second; the Han Kou section can divert water discharge at a rate of nearly 70,000 cubic meters per second; the sections around Hukou can divert at a rate of roughly 75,000-80,000 cubic meters per second. Meanwhile, according to an examination of floods over the years, eight cases of water discharge exceeding 80,000 cubic meters per second were recorded during flood peaks at Yuchang above the upper Jing Jiang in the 800 years since 1153, with five cases of water discharge surpassing 90,000 cubic meters per second recorded. The combined water discharge of rivers and lakes during flood peaks above Chenglingji registered an average exceeding 100,000 cubic meters per second in the years of 1931, 1935, and 1954.

Second, in case of catastrophic flooding in the Jing Jiang section, no realistic or dependable countermeasures have been found to prevent disastrous losses. As mentioned earlier, even though temporary measures have been taken to use the Jing Jiang flood diversion and other flood diversion projects, efforts to divert waters running at the rate of 30,000-35,000 cubic meters per second remain a problem. This will inevitably lead to the collapse of the Jing Jiang embankment on the northern shore or inundation on the southern shore. Complete inundation on the south and north cannot be ruled out either. According to historical records and the current state of the Jing Jiang river course, if the 1870 and 1860 floods were to occur again, it is inevitable that the embankments on both sides of the Jing Jiang will be destroyed even if all kinds of measures were adopted. In case of a major dike bursting, heavy casualties will ensue, with towns and villages immersed in deep water. The security of Wuhan City will also be threatened if the Jing Jiang dike should burst.

Third, the flood prevention endeavors on the Chang Jiang's middle and lower reaches will become even more difficult as the Dongting Hu continues to shrink and die out. The Dongting Hu is a very important flood diversionary channel and water reservoir on the Chang Jiang's middle reaches. Because of deposits and land reclaimed for cultivation purposes (land reclamation was basically

stopped in the 1980's), the lake surface was reduced to 2,691 square km in 1983 or 40 percent smaller than in the early days of the PRC. If no effort is made to control the flow of sands and deposits from the Jing Jiang into the lake, then the Dongting Hu will continue to shrink until it dies out. The difficulties of flood prevention related to lakes and rivers will be aggravated.

### **Three Gorges Project Is Crucial Flood Prevention Move in Chang Jiang's Middle, Lower Reaches**

What should be done to deal with the flood prevention problem along the Chang Jiang's middle and lower reaches? Wei Tingcheng maintained that it is necessary to take comprehensive measures, such as building embankments, launching flood diversion projects, and constructing water reservoirs, in the tributaries. In particular, the construction of the Three Gorges Project represents the most crucial step.

First of all, looking from the geographical location of the Three Gorges Project, it is situated some 40 km above Yuchang and lies close to the Jing Jiang section, which poses the most serious situation in so far as flood prevention in the Chang Jiang is concerned. The project can control more than 95 percent of the water discharge from the Jing Jiang section as well as roughly two-thirds of the water discharge above Wuhan. This superior geographical location not only offers full control of the upper reaches type of flooding, but also a fairly excellent effect in flood prevention endeavors by regulating the middle and lower reaches type of flooding (as in 1935 and 1980).

Next, according to the Three Gorges Project's plan for normal water storage level of 175 meters, the water reservoir should hold 22.15 billion cubic meters of water. This will have the following important effects on flood prevention endeavors on the Chang Jiang's middle and lower reaches:

—Flood prevention standards on the Jing Jiang section will be raised in order to deal with extraordinarily serious floods, instead of common floods as envisioned earlier. In case of catastrophic flooding, the waters will be regulated and stored in the Three Gorges water reservoir. This move will allow control of water discharge from the Zhicheng Station at a maximum rate not exceeding 56,700 cubic meters per second, spare the use of the Jing Jiang flood diversion project, keep the water level at Shashi below 44.5 meters, and enable the floods to run safely through the Jing Jiang section. In case of floods similar to the ones of 1931, 1935, and 1954, it will not be necessary to use the flood diversion projects in the Jing Jiang area. Neither will it be necessary to carry out flood diversion efforts in case of common floodings in the Chenglingji area. Meanwhile, in case of 1931, 1935, or 1954 types of floods, some 2.5-3 million mu of arable land will be spared from inundation.

—In case of catastrophic flooding similar to the 1870 floods, the water discharge from the Zhicheng Station

will not exceed the rate of 71,700-77,000 cubic meters per second after the water is regulated and stored in the Three Gorges water reservoir. This, along with application of the Jing Jiang flood diversion project and other flood diversion and water storage measures, will keep the water level of Shashi at less than 45.0 meter and make it possible to avoid devastating calamity in the Dongting Hu and Jiangnan plains.

- With the floods on the upper reaches under effective control, it will be possible to avoid the bursting of the Jing Jiang embankment in case of a catastrophic flood and ease the threat to the safety of the Wuhan area.
- Threats of flooding in the Dongting Hu area will be lessened.
- The 22.15-billion-cubic-meter capacity of the Three Gorges water reservoir will provide a great boost to the reliability and flexibility of flood prevention and regulation efforts on the Chang Jiang's middle and lower reaches.
- Aside from huge direct economic benefits, the construction and renovation of the Three Gorges Project will prevent heavy casualties and deaths in the aftermath of the collapse of embankments in the Jing Jiang and the Dongting Hu; prevent the severance of major railway lines, like the Beijing-Guangzhou and Hankou-Danjiangkou lines; and prevent a series of social problems, such as the outbreak of epidemic, implementation of relief operations, and resettlement of disaster victims. Therefore, in this sense, the Three Gorges Project is also a gigantic environmental project. Furthermore, the Three Gorges Project also offers possibilities and comprehensive benefits in terms of power generation, marine transportation, and others.

In short, the Three Gorges Project has an irreplaceable role in providing comprehensive economic benefits, particularly on flood prevention endeavors in the Chang Jiang.

At this point, Wei Tingcheng pointed out: This year's flood disaster is a warning bell which tells us: There can be no delay on the Three Gorges Project.

#### Article on Cleaning Up Debt, Reform

HK2810141091 Hong Kong KUANG CHIAO CHING  
in Chinese No 229, 16 Oct 91 pp 6-9

[Article by Wen Chun (5113 6511): "CPC Launches Decisive Battle To Clean Up Debt, 'Eighth Plenary Session' To Be Held in December"]

[Text]

#### RENMIN RIBAO 1 September Editorial Causes a Stir

On 1 September this year, RENMIN RIBAO carried an editorial, stressing the need for further reform and opening up. This editorial caused quite a stir. The reason

was that the formulation in the editorial on whether reform measures were socialist or capitalist in nature, which had been broadcast on government radio stations the previous evening, had disappeared when it was published in the newspaper the next day. This naturally led to numerous discussions among careful people, who wanted to know the reason behind it.

#### Chen Jinhua Says: China's Reform Is Heating Up

Later, at a forum on China's urban reform pilot work held in Chengdu, Chen Jinhua, minister of the State Restructuring of the Economic System Commission, pointed out: "All circumstances show that China's reform is heating up, the contents of some important reforms have been increased, and the pace quickened." The message of "heating up" immediately aroused concern in various quarters.

In fact, the CPC is taking advantage of the recent slow improvement in the economy to quicken the pace of reform. There are two aspects to the reform: One is economic reform and another is reform of personnel organizations and institutions.

It is said that the Eighth Plenary Session of the CPC Central Committee, which is drawing attention at home and abroad, will be held in December this year.

In autumn next year, the CPC will hold the 14th National Congress. In the interval between the Eighth Plenary Session and the 14th National Congress, it will also hold the Ninth Plenary Session to decide on high-level personnel arrangements and to study and discuss Jiang Zemin's report or talks delivered on behalf of the CPC Central Committee.

Some time ago, the CPC Central Committee set up an institutional establishment committee with Li Peng as director and Song Ping as deputy director. The new committee will strengthen leadership and exercise centralized, unified management over the organization and personnel of all units at the provincial or ministerial level, keep institutional expansion under strict control, promote institutional reform, carry out reform of the administrative and management structure, study and draw up institutional reform plans for provinces, municipalities, and autonomous regions, work out management policies and statutes, and determine the functional setup and readjustment work for departments of the party Central Committee, the State Council, provinces, and municipalities.

#### Deng Xiaoping Breaks the Deadlock With a Series of Talks

On the eve of the Seventh Plenary Session of the 13th CPC Central Committee at the end of 1990, Deng Xiaoping gave a series of talks, such as capitalism has plans, socialism has markets, and plans and markets are not the indicators of socialism and capitalism, thus breaking the deadlock over reform issues which had continued for over a year. In China, people generally



hold that this represents a major breakthrough in reform theory and has removed obstacles for emancipating the mind and deepening the reform.

**Shanghai's JIEFANG RIBAO Carries Commentary "There Should Be New Thinking in Reform and Opening Up"; Chen Xitong and Others Make Clear Their Stands**

Because the CPC's Seventh Plenary Session and the Eighth Five-Year Plan and 10-Year Program approved this year have affirmed the reform orientation and basic practice laid down since the Third Plenary Session of the 11th CPC Central Committee, including the 13th party congress, and clarified hearsay about the reform direction in society, many people have changed their minds and strengthened their resolve to uphold the reform. Later, Shanghai's JIEFANG RIBAO carried a series of commentaries, such as "There Should Be New Thinking in Reform and Opening Up." Beijing Mayor Chen Xitong, other local leaders, and some provincial papers in about 20 provinces, autonomous regions, and municipalities stated their positions one after another, calling for bold emancipation of the mind and continued deepening of reform. All this reflects the same mentality.

**Li Peng Says Large and Medium-Sized Enterprises Should Be Pushed Into the Vast Ocean To Swim**

When inspecting Tianjin early this year, Li Peng also vehemently held that large and medium-sized state enterprises should be pushed into the vast ocean of the market to swim. This is obviously an extraordinary remark. "Push" means "compel." If one is pushed into the vast ocean, it is all the more necessary for one to have a superb swimming skill; otherwise, one will certainly be drowned. The enterprises' authority and responsibility, returns and risks, and competition and efficiency are unified here. Since last spring, Li Peng has openly reaffirmed this statement on many occasions. In his view, to invigorate large and medium-sized state enterprises, the key lies in pushing them into the market and thoroughly changing the enterprise operational mechanism. Naturally, a competitive enterprise mechanism cannot depart from a competitive market structure, which of course includes a competitive market pricing system. At all meetings, Li has also made a point of mentioning price reform, which is crucial. These lines of reform thinking are obviously market-oriented. Either consciously or unconsciously, this orientation has been approved this year by the CPC from top to bottom and by people from all walks of life.

**Jiang Zemin Assigns Tasks to Chen Jinhua**

Earlier this year, Jiang Zemin, general secretary of the CPC Central Committee, instructed Chen Jinhua that the State Restructuring of the Economic System Commission should have a "new idea" every year on how to integrate planning and market. Li Peng, on the other hand, repeatedly stressed: Now it is not a question of whether we should or can integrate planning and market but one of how to integrate them still better. The market

should be guided by planning, which should be based on the market. Their organic unity has become a basic structural condition for the development of modern society's productive forces. This view has likewise been approved by people from all walks of life this year.

**Zhu Rongji Goes to Three Northeastern Provinces To Light Fire for Clearing "Debt Chains"**

Vice Premier Zhu Rongji became director of the new Production Office of the State Council last July. Soon after that, he went directly to the three northeastern provinces, the base of China's heavy industry. The first fire he lit was to clear the "debt chains." Some courage was indeed needed to take this action because the "debt chains" had developed over a large area. They have not only become a fast knot affecting invigoration of large and medium-sized state enterprises but, analyzed from the basic factors of their formation, they are a comprehensive reflection of many deep-level contradictions in the systems and structures of the national economy. Only by solving these structural contradictions is it possible to thoroughly solve the "debt chains and achieve the aim of economic rectification and improvement. And only by suiting the remedy to the case and strictly enforcing reform is it possible to solve the deeper-level problems. Therefore, doing a good job of clearing the debt chains must be linked to drastic reform.

This understanding has not been reached overnight. With regard to the cause of the current debt chains, Zhu Rongji at first attributed it to excessive investment shortfall and insufficient investment funds. But many people hold that the investment shortfall is a practical problem and that the debt chains arising therefrom account for one-fourth of the total debts, which is indeed not a small figure. However, this is an old issue and exists almost every year. Why is it that it did not give rise to the debt chains in the past? Even if the investment shortfall is an important cause, why is it there are new shortfalls despite controls over investment every year? Obviously, the root cause lies in the investment decision-making structure under which there are no checks and balances among authority, responsibility, and benefit.

Zhu Rongji also repeatedly and sternly affirmed settlement discipline. Although lax discipline leads to defaulting in debt repayment, there is no question of enforcing the discipline when some enterprises are nearly bankrupt, when the question of bankruptcy has not been resolved, and when the bankruptcy law has had a difficult start.

**The Key to the "Debt Chains" Is Low-Quality, High-Priced Goods, Overstocking, Money-Losing Enterprises, and Poor Operation and Management**

In terms of amount, the "debt chains" caused by overstocking of unsalable products and by enterprises operating at a loss account for half the total. And enterprises often lose money because they cannot sell their products. Therefore, experts remonstrated with Zhu Rongji that if

the problem of overstocking is not resolved, it is impossible to clear the debt chains. According to a relevant survey, the major causes of overstocking are distorted enterprise mechanisms, poor operational decisions, failure to develop products effectively, and poor product quality.

What is worse, products which should have been eliminated cannot be eliminated and enterprises which should have gone bankrupt cannot go bankrupt but go on producing. Moreover, the expanded scope of mandatory planning in the past two to three years has made enterprises produce what they do not want to produce. This has also had an effect on the formation of the debt chains that cannot be overlooked. In 1990, China practiced "double guarantees" among some large and medium-sized state enterprises, namely, the enterprises guarantee fulfillment of the tasks set by the state, which, in turn, guarantees supplies of funds, raw materials, and energy to enterprises. This has undoubtedly made the debt chain problem even worse. According to estimates by a relevant quarter, over one-third of the new credit extended by the banks to the enterprises in line with the "double guarantees" has been taken up by goods in stock. In Wuhan city, the Wuhan Iron and Steel Works alone accounts for two-thirds of the total new amount of overstocking. If we want to make a real effort to clear the debt chains, it will be necessary to take action on a considerable number of state enterprises by switching them to other lines of production, amalgamating them with others, suspending their operations, or simply closing them down so that they can adapt to changes in market demands. If this is not handled well, there will be trouble.

After returning to Beijing from the Northeast, Zhu Rongji again went to various government departments to find out the conditions of overstocking and put forward the idea of limiting or reducing production, and he vehemently called for reducing this year's industrial production plan by several dozen billion yuan. This idea was immediately adopted by the State Council, but its concrete implementation will be a painful process.

Last September, all localities and departments started to take action. The Liaoning Provincial Government passed a strong resolution to control production and reduce stocks by ordering the immediate suspension of the production of 12 categories of goods which are of poor quality, expensive, unmarketable, and overstocked and limiting the production of 43 categories of goods which are oversupplied and which are not readily marketable. This decision affected over 180 enterprises. As of 20 September 1991, the electricity department suspended the supply of electricity to the enterprises concerned used for production, the materials supply departments suspended planned supplies of raw materials, and all specialized banks stopped granting credit of circulating capital related to the categories of products.

Suiting the remedy to the case, Shandong Province took four actions simultaneously, i.e., making a number of

enterprises suspend production, switch to other lines of production, or close down, and supporting some others, so that those which should be eliminated can be eliminated and those which can survive can be invigorated.

At a joint telephone meeting held on 10 September, five departments, including the State Planning Commission and the State Council's Production Office, stressed that those responsible for manufacturing cigarettes in excess of the plan would be fined. Strong efforts should be made to reduce stocks and turn dead money into living money, even if this leads to some enterprises being closed down or amalgamated with others, suspending production or switching to other lines of production. As of 20 September, all localities throughout the country should take unified action and start a decisive battle to clean up debt.

#### **A Decisive Battle To Clean Up Debt Has Started Across the Country**

Zhu Rongji's objective is to clear 100 billion yuan of debt, about one-third of the debt chains, and to clean up all debts in two to three years. The key to achieving this objective lies in whether the pace of reform can be genuinely quickened, whether debts can be paid in the course of reform, whether a permanent cure and a temporary solution can be effected at the same time, and whether we are willing to let a handful of "incorrigible" large and medium-sized state enterprises die in order to invigorate a large number of others and thus clear the debt chains.

Having been pestered for a long time by these deep-seated problems in the structure, the CPC leadership seemingly has an unprecedented sense of urgency on speeding up the economic reform. Naturally, it will not do to be overanxious for quick success, neither will it do to go slow, for it will probably bring bigger losses.

#### **Massive Contraction of the National Economy Will Lead to Profound Crisis**

The actual situation is indeed like this. The output value of the state-owned economy, which serves as a major material foundation, has been less than one half of the gross domestic product in recent years and is still shrinking. In 1990, 37 percent of the new industrial output value was supplied by nonstate enterprises, mostly township and town enterprises and foreign-invested enterprises. According to an estimate, over one-third of state enterprises suffer book losses, one-third make profits in name but lose money in fact, and less than one-third make profits. If this situation should go on, state-owned assets will be slowly eaten up. The massive contraction of the state-owned economy will bring about profound social, economic and political

crises, and the CPC leadership has clearly seen this. Therefore, invigorating large and medium-sized state enterprises has been the main theme of China's economic reform this year and the next. Recently, party and government leaders from all provinces, municipalities, and autonomous regions gathered in Beijing. The main topic of discussions at the central work conference was to study how to further invigorate large and medium-sized state enterprises.

#### **Does the State Still Have Money To Spare?**

Obviously, the state has no more profits to be given to enterprises. The practice of "letting in water to raise fish" at the initial period of reform has indeed yielded some effect. However, does the state still have money to spare today, when finance is in very straitened circumstances? Even if you have 1,000 excellent plans, to invigorate enterprises at a crucial phase of reform, the way out can only be a resolute change in the enterprise mechanism, so that enterprises can cater to market needs, operate independently, and be responsible for profits and losses. On this occasion, the CPC leadership is determined to push large and medium-sized state enterprises into the market, and give more scope to the positive role of regulation by market mechanism, thus clearing the debt chains and invigorating large and medium-sized enterprises. The CPC leadership is seemingly poised to fight it out.

The various economic contradictions and phenomena that have cropped up since the institution of reform have enabled the CPC, including the high-level party elders, to gradually realize the strength of market mechanism. The shortage of farm and sideline products and consumer industrial products, which pestered the mainland for a long time, has been quite satisfactorily solved in the last decade. The market prosperity today is not only incomparably better than it was before the reform, but was even unimaginable at that time. Through reform the masses see China's hope. All this is inseparable from the full play given to the role of market mechanism. It can be said that all economically developed regions in China generally have the feature of having a relatively high level of market growth and that a fundamental way out for the economically backward regions is to let market mechanism play a greater role. Some experts hold that it is necessary to make concrete analysis of the errors in economic work in the past few years and that we should not attribute them in an oversimplified way to too much market or planning. In fact, these errors are directly related to the backward method of planned management and the failure of macroeconomic regulation and control to adapt to great changes in the form of economic development, and they are also related to insufficient market growth and its failure to play a more effective role.

#### **Chen Jinhua's September Speech in Chengdu**

In his September speech in Chengdu, Chen Jinhua bluntly put forward the idea of giving more play to the role of market regulation. This idea has won increasingly extensive support within the party, including the leadership. To be specific, it is necessary to deepen the reform from three aspects, deepening reform of the enterprise system, improving the socialist market system, and establishing a macroeconomic regulation and control system consistent with this.

#### **Orientation of CPC's Future Reform**

Enterprises are the principal part of the market. If enterprises are not invigorated, the market mechanism cannot give scope to its advantages. The problem is how to turn these objectives into a concrete, feasible enterprise structure and operational methods. Since the reform, the CPC has tried out many methods in an attempt to solve these issues but they are not perfect enough and have great limitations. In particular, the insufficient vitality of many large and medium-sized state enterprises and their steadily dropping economic returns have seriously restricted economic growth. A veteran party elder holds that, from a long-term point of view, the modern limited-liability company system is probably the best way out. Some time ago, Li Peng advanced a similar view. He maintained that all new large and medium-sized state projects can practice a joint-stock system in the future. Naturally, the joint-stock system, even if it is based on public ownership, is still a sensitive topic among some CPC members.

Another hot topic on invigorating enterprises this year is grafting foreign capital or the operational mechanism of foreign-invested enterprises onto large and medium-sized state enterprises. Early this year, Shenyang put forward this idea but later did more but spoke little about it. Recently, Shanghai undertook an ambitious move. In keeping with the policy toward Sino-foreign joint ventures, it carried out, group by group, a pilot reform on changing and improving the operational mechanism among large and medium-sized state industrial enterprises in order that they can have the same decisionmaking power in operations as Sino-foreign joint ventures, thus changing the present situation characterized by the state exercising excessive control over and interference in enterprises.

#### **Sever the Deal Between Power and Money and Prevent Corruption**

People in economic circles hold that the present problems in market regulation are caused by insufficient rather than excessive market growth. The two-tier price system is precisely a transitional outcome of insufficient



market development and an issue on which the people have the greatest complaint. The economic source of serious corruption is import and export permits, price difference, interest difference, and exchange rate difference. The best method to prevent corruption is to conduct thoroughgoing reforms, lose no time in handing over power to the market, and sever the deal between power and money. Moreover, only by improving market

mechanism can it genuinely play the basic function of effectively distributing resources.

We can thus see that the "heating up" of China's economic reform is not just academic talk. In fact, this reflects an irreversible trend. The CPC has realized that it will gain the initiative by carrying out early reforms and that late reforms can only result in paying a greater and even unsustainable price.

## East Region

### Lu Rongjing Presides Over Enterprise Conference

OW0311042491 Hefei Anhui People's Radio Network  
in Mandarin 1100 GMT 29 Oct 91

[From the "Provincial Hookup" program]

[Text] The provincial party committee and the provincial government held a provincial work conference on state-run large and medium-sized enterprises in Maanshan City on 28 October. In accordance with our province's realities, the conference studied and formulated several policies and measures to further implement the guidelines of the party Central Committee's recent work conference, to carry out the 20 measures put forward by the party Central Committee, and to promote the vitality, efficiency, and healthy development of our province's state-run large and medium-sized enterprises.

Lu Rongjing, secretary of the provincial party committee, presided over the conference and discussed the guidelines of the party Central Committee's work conference. Governor Fu Xishou delivered a report. Vice Governor Long Nian attended the conference. Other conferees included Du Weiyu, vice chairman of the provincial people's congress Standing Committee who is currently in Maanshan City; commissioners; mayors and economic commission chairmen of various prefectures and cities; responsible persons from relevant provincial departments and some large enterprises; and factory directors and managers of 256 state-run large and medium-sized enterprises.

In his report, Fu Xishou said: Our province faces the dual tasks of resuming production and seeking development in the wake of the huge disaster. The key to seeking development on the basis of resuming production is to further improve state-run large and medium-sized enterprises and to rely on such enterprises in reviving Anhui's economy. We should give priority to these tasks and concentrate on making them successful. Large and medium-sized enterprises play a decisive role in our province's economy. At the end of 1990, there were 382 state-run large and medium-sized enterprises in our province, accounting for 1.8 percent of all industrial enterprises. Their gross industrial output value accounted for 47.7 percent of the provincial total, while profits and taxes delivered by them represented 71 percent of those delivered by provincial industrial enterprises with independent accounting. State-run large and medium-sized enterprises have become the backbone of our province's economy, the mainstay of our province's financial revenue, and the pillar of our province's technical progress.

Fu Xishou stated: We should fully understand that state-run large and medium-sized enterprises indeed have some problems. These problems are mainly reflected by the poor efficiency, sluggishness, and insufficient strength of a substantial number of enterprises.

He stressed: Resolving the existing problems of state-run large and medium-sized enterprises is a long-term task. In accordance with the party Central Committee's work conference, we must designate the entire Eighth Five-Year Plan as a period during which we will concentrate on improving the vitality and efficiency of large and medium-sized enterprises. During this period, we should adopt effective measures to handle matters comprehensively. We must do a lot of arduous and meticulous work to achieve the goal of improving state-run large and medium-sized enterprises. Primarily, we must focus on the four tasks of changing our operational mechanisms, seeking technical progress, strengthening management, and exploiting our political strengths.

Fu Xishou said: To improve the vigor of state-run large and medium-sized enterprises, we should comprehensively implement the party Central Committee's policies and improve enterprises' external environment. In accordance with the guidelines of the party Central Committee's work conference, the provincial government recently made some specific suggestions for implementing central policies. These suggestions primarily call for further cutting the variety and quantity of products covered by state mandatory plans, easing price controls on some provincial-managed commodities, appropriately increasing market regulation, and authorizing enterprises to institute trial employment in light of their actual situation. If possible, enterprises may implement an all-worker contract system and end the practice of separating cadres from workers by allowing them to exchange jobs. The suggestions also call for improving the enterprises' internal distribution system. If possible, enterprises should actively implement a wage system based on vocational skills, and they should link remuneration with output. The suggestions urge efforts to expand enterprises' decision-making authority in foreign trade, to conduct more effective experiments on changing enterprises' operational mechanisms, to focus on breaking the debt chain, to raise funds for technical transformation through various channels, to expedite the flow of working capital for enterprises, to resolutely curb the "three random practices," to effectively alleviate enterprises' burdens, and to conscientiously strengthen leadership over state-run large and medium-sized enterprises.

Fu Xishou emphasized: To improve state-run large and medium-sized enterprises, we should also energetically improve the enterprises' internal situation. Essentially, enterprises should enforce their existing policies more thoroughly, give full rein to their initiative, work actively and creatively, overcome difficulties by tapping their internal potential, change their operational mechanisms, and actively upgrade their equipment and renew their products to keep pace with advanced international and domestic levels. They should tighten internal management, earnestly conduct research on opening up markets, promote sales and services by all means, forge lateral economic ties, form enterprise groups, strengthen the construction of leadership bodies, and conduct effective ideological and political work.

In his report, Fu Xishou urged party committees and governments at all levels, various relevant departments, and factory directors, party members, workers, and staff members of enterprises throughout the province to display a lofty missionary sense, foster a sense of urgency, work with one heart and one mind, contribute ideas and energy, and work in a down-to-earth manner to revive large and medium-sized enterprises.

### **Chen Huanyou Views Post-Flood Economic Recovery**

OW0311171691 Shanghai WEN HUI BAO in Chinese  
27 Oct 91 p 1

[By reporter Xia Zhenfei (1115 7201 7204) and special reporter Shi Jinchang (2457 6930 2490): "Rejuvenating Jiangsu's Economy to a Higher Level—A Talk With Jiangsu Governor Chen Huanyou"]

[Text] One morning in October, we arrived at the general office of the Jiangsu provincial government to call on Governor Chen Huanyou.

The topic was how should Jiangsu resume economic development in the aftermath of the flood disaster.

At first, Governor Chen told us excitedly: The restoration of economic development after the serious flood disaster has been completed more quickly and better than we expected. He said that under the leadership of the party Central Committee and the State Council, the people across the country waged a stubborn, unified struggle against the disaster. All localities and departments organized cadres and the masses to combat the floods and provide relief to victims while concurrently preparing to restore production. Industrial and agricultural production was restored fairly quickly after the disaster because the people throughout the province bolstered their spirit, because our province's economic foundation has been fairly strong, because our province has a strong ability to fight disasters, and because we received vigorous support from various quarters.

He then gave us a quick rundown of figures: Originally, grain was expected to decline by more than 10 billion jin, but now it seems that it is going to decline by just over 6 billion jin. It was originally estimated that cotton would decline by 5 million dan, but now it seems that it is going to decline by just over 1 million dan. In the first nine months of this year, the output value of state-run budgetary industrial enterprises in the province rose 12 percent over the same period last year; income from sales rose 15.6 percent, and total retail sales volume in the province registered an 11.7-percent increase. At this point, the governor, who had stood by the people in the disaster areas in times of peril and danger and had spent many sleepless nights with disaster victims, revealed his happiness in his speech. He said with a humorous tone: "People may work hard, but they still need the assistance of nature. The weather has been good recently. It seems that heaven is doing something good to atone for its crime!"

"But we still have many difficulties and problems now. The principal problems are the decline of industrial and economic efficiency, the rising financial difficulties, the worsening contradiction in the structure of industry, and the impeded economic cycle. We have not yet found solutions to all of these problems." Turning to other subjects, Governor Chen briefed us on the general thought for economic work set by the provincial party committee and the provincial government: "Resolutely giving priority to raising economic efficiency, vigorously pushing ahead scientific and technological progress, deepening reform of the economic structure, expanding the role of market mechanisms, further improving large- and medium-sized enterprises, bringing about progress in the two strategic objectives of adjusting the economic structure and developing an export-oriented economy, and leading the economy onto the path of a good cycle.

"In accordance with this general thought, our specific arrangements must embody the spirit of 'restoration, adjustment, reform, and development.' Restoration means that we must strive to restore industrial and agricultural production to the level of normal years. In agriculture, we must ensure grain production, stabilize the output of oil-bearing crops, cut down the cultivation of other food grains other than wheat and rice, and appropriately expand the cultivation of cotton. In industrial production, efforts will be made to achieve a growth rate of 8 percent under the condition that no new overstocking of products continues and that efficiency continues to improve. Adjustment means that we must seize the opportunity to restore production after the flood disaster, make great efforts to adjust the economic structure, and bring about a marked improvement in the efficiency of major economic targets. At the same time, we must speed up technological progress and upgrade the overall quality of the economy. Reform means that, while aiming at improving large- and medium-sized enterprises, we must deepen the reform of the economic structure so as to create a good environment for the further development of the economy. Development means we must remain highly spirited, we must not relax or slacken our enthusiasm and efforts for work, and we must carry out our tasks soundly and bring about a steady development of the economy so as to invigorate Jiangsu's economy."

Governor Chen then introduced the following major measures for future economic work aimed at invigorating Jiangsu's economy:

—Resolutely giving priority to the task of raising economic efficiency and correcting the guiding thought for economic work. Resolutely discarding the burden of striving for "the whole country's top rank in production value," which we have been carrying for years. To achieve this goal, the provincial authorities have decided to cease using output value as a criterion for evaluation. Instead, they have proposed 10 evaluation criteria that stress efficiency. The criteria will be used on a trial basis this year and will be gradually popularized next year.



—Making use of our advantages in science and technology so as to speed up scientific and technological advancement. Special efforts will be made to successfully run the state-approved new high tech export-oriented development zone of Pukou in Nanking, the Suzhou-Wuxi-Changzhou Torch development zone, and the Nantong new high tech industrial development zone. We will strive to raise the quality of our starting point, create new mechanisms, and tighten control so as to make these zones play an active role in upgrading science and technology throughout the province. —Actively reshaping the industrial structure and expediting the pace of opening to the outside world. Readjustment will be mainly aimed at attaining a higher starting point in industrial development, promoting an appropriate scale of industry, developing an export-oriented industry, and achieving good economic returns. The industrial structure should be readjusted both upward and downward. All-out efforts should be made to readjust upward the structure of those industrial sectors that need to be promoted, so as to develop a number of Jiangsu-style superior products and key enterprises. Meanwhile, it is necessary to adjust downward the structure of industrial sectors that need to be curtailed.

—Focusing on improving large- and medium-sized enterprises as part of the efforts to intensify economic reform. In keeping with Jiangsu's realities and the guidelines of state plans, we should better exploit market mechanisms, boldly subject large- and medium-sized enterprises to market regulation, and enhance enterprises' ability to adapt to and compete in the market. With large- and medium-sized enterprises as our backbone, we should bring together large numbers of small businesses and village and town enterprises, optimize their organizational structure, and cultivate new collective strengths.

At this point, Governor Chen inquired, with interest, about our plans to expand WEN HUI BAO coverage next year. After hearing our briefing, Governor Chen said: "WEN HUI BAO is an influential newspaper in the country. It is highly ideological, intellectual, and readable. The daily has done a great deal of work in reporting and publicizing Jiangsu. I would like to express my heartfelt thanks on behalf of the Jiangsu Provincial People's Government. I hope that WEN HUI BAO will increase its reportage and publicity about Jiangsu after expansion, so that its large readership will gain a better understanding of Jiangsu. Of course, the vast numbers of cadres and people in Jiangsu should lend full support to WEN HUI BAO. We should try our best to help WEN HUI BAO improve its publicity and distribution work and expand its circulation."

We were greatly inspired by his sincere remarks.

## Central-South Region

### Xie Fei Marks Teachers University Anniversary

HK0411105991 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 3 Nov 91

[Text] South China Teachers University [SCTU] today held a celebration meeting to mark the 40th anniversary of its founding. Present at the meeting were Ye Xuanping, vice chairman of the Chinese People's Political Consultative Conference National Committee; Xie Fei, secretary of Guangdong Provincial CPC Committee; Zhu Senlin, deputy party secretary and acting provincial governor; other leaders of the province and Guangzhou city; guests; and alumni at home and abroad and from Hong Kong and Macao. Over 10,000 teachers and students attended the meeting. On behalf of the provincial CPC committee and government, Lu Zhonghe, vice provincial governor, extended cordial congratulations to all teachers, students, administrative personnel, and workers of the university. He said: Abiding by the socialist orientation for running the university, SCTU has trained and brought up large numbers of qualified personnel. Today SCTU is thriving and flourishing, with a galaxy of talent. This has been gained under the leadership of the party and through the hard work of people of many generations.

### Zhu Senlin Addresses Antismuggling Meeting

HK2510063591 Guangzhou Guangdong People's Radio Network in Mandarin 1000 GMT 23 Oct 91

[Text] The provincial party committee and government called a provincial conference in Conghua County today to arrange for a province-wide struggle against smuggling.

As disclosed at the meeting, Guangdong has made great achievements in its struggle against smuggling over the last two years, but smuggling activities still run rampant and the situation is desperate.

The meeting called on party committees and governments at all levels to really strengthen leadership over the antismuggling campaign and carry out intensive and extensive relevant education among the masses. It is necessary to make concerted efforts against smuggling activities, improve antismuggling operations in coastal areas, make greater efforts to investigate and deal with major and important smuggling cases, and severely punish smugglers according to law. We must round up smugglers at sea, block them on the coast, search for them on the road, and prevent smuggled goods from entering the market, as required by the overall strategy.

This afternoon, Zhu Senlin, provincial party committee deputy secretary, who is also acting governor, attended the meeting and delivered a speech. He stressed: For the present, combating smuggling is a very important task. Leading cadres at all levels should deepen their understanding of the importance of the antismuggling struggle and strengthen leadership over the operation. At the

same time, they should persist in integrating concentrated blitzes with regular operations, cracking down on smuggling activities in every way.

Vice Governor Lu Ruihua also spoke at this afternoon's meeting.

### **Shenzhen Companies To Issue Stock Abroad**

*HK3010132491 Beijing ZHONGGUO XINWEN SHE  
in English 1506 GMT 29 Oct 91*

[Text] Shenzhen, October 29 (CNS)—The Shenzhen Property Development Group and the Nanfang Glass Company will soon issue stock abroad for public subscription. Preparations for such issuance has been completed, making it the first time Shenzhen has issued stock abroad and creating a new channel for foreign investment.

In Shenzhen, stock issued for domestic subscription is called "A" shares, while stock issued for subscription abroad is called "B" or "renminbi [Rmb] special" shares. With the approval of the Shenzhen authorities for listing, the two companies are scheduled to issue Rmb 52 million worth of shares for public subscription on November 3 with a face value of Rmb 1 per share and a premium of under Rmb 4. It is understood that the municipality will at a later time entrust some Hong Kong companies to sell "B" shares in the territory.

It is learned that the value of "B" shares to be issued is over Rmb 40 million, Rmb 30 million of which is for the Shenzhen Property Development Group. Subscription of "B" shares will be settled in Hong Kong dollars which will be converted into renminbi in accordance with the foreign exchange swap rate in Shenzhen.

The two soon-to-be-listed companies have shown sound economic results and one of them, the Shenzhen Property Development Group, owns the 53-storey Guomao Building and specializes in real estate as well as trade business. The total assets of the group has been valued at Rmb 650 million.

### **Guangdong To Limit Christmas Celebrations**

*HK0511014691 Hong Kong THE STANDARD in  
English 5 Nov 91 p A-1*

[Text] Guangdong authorities have stepped up measures to confine Christmas activities within churches in a bid to minimise the spread of Western religious influences.

A five-point instruction by the provincial authorities, circulated to concerned departments and lower authorities, said Christians and other groups should not be allowed to conduct religious activities outside their place of worship, Guangdong sources told THE STANDARD yesterday.

The document was jointly worked out last week by the provincial party's United Front Department and Propaganda Department, and the provincial government's Religious Bureau.

Quoting the instruction, the sources said the Guangdong authorities were concerned about the rising number of Christmas activities crossing over from churches to society, and the increasing popularity of Christmas celebrations—particularly among younger people—during the past few years.

In the instruction, the provincial authorities warned departments and lower authorities not to do anything that would help spread the religious influences.

"Christians and other groups should be banned from conducting religious activities outside places of worship or from holding activities that could spread the influence of Christmas," the circular said.

Reports on Christmas activities by state-run media and publications should only be "informative", and no notices simply publicising Christmas should be allowed to be published.

The authorities also warned entertainment and commercial groups not try to benefit from the festive period for commercial purposes in any way.

"Entertainment and commercial units should not use the Christmas season to conduct religious activities or propaganda and use such events to boost their sales and profits," the circular said.

Relevant departments were asked to draw up firm measures to help discourage Christmas activities, including attendance at church and the sending of Christmas cards.

The authorities also requested education departments and school authorities to persuade students not to organise or take part in such activities—especially not to attend church during the Christmas festival.

In recent years, Christmas has been popular in Guangdong, China's freest province, particularly in the capital, Guangzhou, and the three Special Economic Zones of Shenzhen, Zhuhai and Shantou.

Christmas decorations are seen in numerous hotels, restaurants and entertainment venues. Shops offer sales, hotels and restaurants put Christmas meals on the menu over the festive period and church congregations in Guangzhou are packed—particularly with students and other young people.

### **Guangzhou Congress Rejects Bill on State Firms**

*HK2410082991 Hong Kong TA KUNG PAO in Chinese  
16 Oct 91 p 4*

["Special dispatch" by staff reporter Yuan Hsiu-hsien (5913 4423 6343): "Guangzhou People's Congress Standing Committee Fails To Pass Vice Mayor's Bill on Invigorating State-Run Enterprises"]

[Text] Guangzhou, 15 Oct (TA KUNG PO)—At a session of the Guangzhou People's Congress Standing Committee held this morning, Vice Mayor Xie Shihua gave

an account of the plan for implementation of the bill on "invigorating large and medium-sized state and collective enterprises in Guangzhou." However, the bill was not adopted. After deliberation, members of the Standing Committee regarded the bill merely as an account of general work, which did not give convincing reasons or propose a feasible, specific plan.

The bill gave an account of the current conditions of Guangzhou's large and medium-sized state enterprises, the problems affecting enterprise vitality, and the measures adopted to invigorate Guangzhou's large and medium-sized state enterprises.

The members affirmed the great deal of work done and achievements attained by the city government. However, the city government did not propose specific measures and methods. Some members said: According to the bill, the operation mechanism is not suited to the integration between planned economy and market regulation, resulting in the pursuit of output value and quantity and failure to improve the product mix. Despite the increase in output value, enterprises suffered from deficits and their efficiency declined. Some members said: Although three years have elapsed since the promulgation of the "Enterprise Law," the law is not yet properly implemented. The members urged the government to draft a specific, feasible plan in light of the spirit of the central authorities and Guangzhou's actual reality, and then submit it to the Standing Committee for examination.

#### **Zhao Fulin, Cheng Kejie Attend Sugar Meeting**

*HK0611074491 Nanning Guangxi People's Radio  
Network in Mandarin 1130 GMT 31 Oct 91*

[Excerpts] A regional work meeting on the 1991-92 sugarcane pressing season was held in Nanning 27-29 October. Autonomous regional Chairman Cheng Kejie and Vice Chairmen Wang Rongzhen and Yuan Zhengzhong attended the meeting. They also addressed the meeting. [passage omitted]

Regional party and people's government leaders attached great importance to the meeting. During the meeting, Zhao Fulin, regional party secretary, personally convened an enlarged meeting of the autonomous regional CPC Committee Standing Committee to specially discuss the issue of free business of cane sugar and relevant policies.

Participating comrades conscientiously studied speeches of the regional party and people's government leaders and relevant documents, and summed up and analyzed the situation of developing cane sugar production, and sugar marketing as well. They believed that the situation of cane sugar production in our region was very good. On the basis of sustained production increase over the past three year running, our region has overcome difficulties brought about by drought, and again obtained production output increase by a fairly big margin. Total sugar production output of the whole region this year is

expected to increase by 200,000 tons over the corresponding pressing season last year. The meeting conscientiously studied the policies and measures for promoting free sugar business, and called on various localities to adapt themselves to the new situation of free sugar business, and take active measures to unlog the channels of sugar marketing. [passage omitted]

The meeting also called on enterprises to actively reform their internal mechanisms in the current pressing season; strengthen ideological and political work; intensify enterprise management, promote technical progress; and profoundly carry out the activities of Quality, Variety, and Efficiency Year characterized by high remuneration, high quality, high efficiency, and low consumption. [passage omitted]

The meeting also made plans and arrangements for cane sugar production next year.

#### **Guangxi Meeting Views Family Planning Problems**

*HK0611034491 Nanning Guangxi People's Radio  
Network in Mandarin 1130 GMT 1 Nov 91*

[Excerpts] The regional leading group for population and family planning work called a family planning work meeting attended by responsible comrades from some counties and cities of our region 30-31 October. [passage omitted]

Li Zhenqian, regional party committee Standing Committee member and regional vice chairman, joined some county and city party committee secretaries, county magistrates, city mayors, and county and city leaders in charge of family planning work, who attended the meeting, in studying ways and means aimed at lowering our soaring additional-birth rate.

Vice Chairman Li Zhenqian said: Our region has had marked successes in controlling population growth over the past many years, especially during the Seventh Five-Year Plan. We have succeeded in reducing our regional population growth by about 2 million. Nonetheless, our provincial population situation still remains very severe at present. In the first half of 1990, our region's additional-birth rate reached 23 percent. The additional-birth rate exceeded 27 percent in some 22 counties. The additional-birth rate of Tengxian County and Bobai County even exceeded 40 percent. We really lost control over population growth! In view of this situation, leading cadres at all levels must fully understand our severe population situation, earnestly strengthen leadership over family planning work, and strive to solve the following questions in practical work:

1. Attach equal importance to both economic work and family planning work and continue to simultaneously grasp these two questions.

2. The principal party and government leaders at county level must personally take charge of and assume overall responsibility for family planning work.



3. The party committees and governments at all levels must take family planning work as an important factor in appraising the performance of leading bodies at all levels.

4. Leading cadres must make earnest efforts, carry out work in a down-to-earth manner, tackle family planning problems in a timely manner, bravely face up to difficulties, and ward off interference.

5. Regional, prefectural, city, and county authorities must try to increase input in family planning work year in and year out.

At the meeting, leaders of Bobai County, Tengxian County, Lingshan County, Binyang County, and some other counties vowed to strengthen their determination and make redoubled efforts to put an end to additional births.

To conclude, Ding Tingmo, regional party committee deputy secretary, made a summary speech in which he expressed the hope that leading bodies at all levels would conscientiously study and analyze family planning work in their own areas. [passage omitted]

### Deng Hongxun Makes Inspection Tours in Hainan

#### Ethnic Minority Areas

HK0511043891 Haikou Hainan People's Radio  
Network in Mandarin 2300 GMT 29 Oct 91

[Excerpts] Provincial party committee Secretary Deng Hongxun, provincial Vice Governor Wang Xueping, and provincial party committee General Office and provincial Nationality Affairs Commission responsible comrades carried out investigations and study in some enterprises of Tongda city and some rural enterprises and farms of Baoting County 25-28 October.

During his investigation tour, Secretary Deng Hongxun repeatedly stressed: Leaders at all levels, especially leading comrades at city and county levels, must further strengthen a sense of reform and opening up to the outside world, make good use of various preferential policies, attract funds from all directions, and speed up the pace of development of various ethnic minority areas and poverty-stricken areas in order to enable people of various ethnic minorities to become prosperous at an earlier date.

Over the past few days, Secretary Deng has gone deep into various mountainous areas, visited villages of and held candid talks with the Li and Miao people. He has asked them about their production development and livelihood improvement, and he listened to suggestions and views voiced by cadres and masses at the grass-roots level on promoting economic development in various mountainous areas.

As regards assisting poverty-stricken areas and developing rural economy, Deng Hongxun pointed out: Our work to assist poor areas should mainly focus on the following two facets: 1) to embark on a road of self-reliance, hard work, and prosperity through diligence and advanced science and

technology; 2) to solve as soon as possible certain long-standing problems in various poor mountainous areas, such as lack of water, electricity, roads, wired broadcasting networks, telecommunications facilities, schools, and hygienic facilities, and some other problems, and create necessary conditions for production development and livelihood improvement.

After investigating tourism resources in Tongda, Baoting, and some other areas, Secretary Deng Hongxun emphatically stated: It is necessary to make full use of various ethnic minority areas' rich and unique tourism resources, vigorously promote tourism industry development and developing more new tourism-oriented industrial products and a tourism-oriented food industry. In order to push ahead with tourism industry development, we should further emancipate our minds, actively absorb foreign funds, speed up the building of the Wuzhi mountain tourism zone, and link it with the Sanya tourism zone in order to form a comprehensive tourism network.

While carrying out investigations and study in the Tongda Pharmaceutical Factory, the Tongda Electronic Factory, the Fifth National Costume Factory, and the Hongyang Flour Mill, Secretary Deng Hongxun said: The ethnic minority areas should develop industries in light of their own actual conditions. First, they should try to successfully run their existing enterprises; second, they should try to develop tourism-oriented handicraft and food industries with their own distinctive features; and third, they should build a number of pollution-free industrial enterprises. The key to successfully managing these enterprises lies in introducing advanced foreign technology, cooperating with units in the hinterland, and making full use of various preferential policies granted to special economic zones.

After listening to some work reports made by city and county leading comrades, Secretary Deng Hongxun spoke of increasing local financial revenue. He pointed out: Local finances should first and foremost try to open up more channels through which more revenue can be collected; second, they should reduce administrative staff, cut down on outlays, and spend accumulated funds on developing undertakings so as to gradually bring about a benign financial circle.

Secretary Deng Hongxun called on city and county leaders to strengthen in real earnest their leadership over economic development in various mountainous areas inhabited by people of ethnic minorities. [passage omitted]

Deng Hongxun called on all provincial departments concerned and leaders at all levels to start, from now on, working out feasible measures aimed at promoting economic development in various poverty-stricken ethnic minority areas and strive for greater progress in each of the some four years remaining in the Eighth Five-year Plan.

### Water Conservancy Project

HK0511073791 Haikou Hainan People's Radio  
Network in Mandarin 2300 GMT 30 Oct 91

[Excerpts] Yesterday morning [30 October], provincial party Secretary Deng Hongxun and Governor Liu Jianfeng led more than 3,500 people, including office cadres from organs under provincial authorities and officers and men of the provincial people's armed police corps, to take part in a battle to promote the (Yinshan) comprehensive water conservancy project in Qiongsan County. [passage omitted]

Since the start of the project, provincial leaders have shown concern for it in addition to the local masses' enthusiastic support for it. Relevant provincial leaders come to the project construction site quite often, urging that the project be carried out with quality and quantity fully guaranteed. In September 1991 Qiongsan County also established a leading group responsible for the project. County party Secretary (Ye Chengui) and Magistrate (Wu Yalun) respectively are head and deputy head of the group. Masses from nearby localities have also come to the construction site to take part in voluntary labor.

At the construction site yesterday, red flags fluttered, and songs of triumph were heard. Several thousand laborers dripped sweat, and their morale was high. The construction site looked magnificent, and was seething with enthusiasm.

Those who took part in physical labor yesterday included Li Zhimin and Wang Yuefeng, members of the provincial party committee standing committee; Vice Governors Chen Suhou and Wang Xueping; Major General (Zhang Xifeng), air force commander of the South China Sea Fleet; Major General Liu Chengbao, deputy commander of Hainan Military District; (Wang Zepin), commander of the provincial people's armed police corps; and (Huang Zhenhai), political commissar of the corps.

### Deng Hongxun, Liu Jianfeng Meet Deputies

HK011125091 Haikou Hainan People's Radio  
Network in Mandarin 2300 GMT 28 Oct 91

[Text] Yesterday evening [28 October], Governor Liu Jianfeng met with and held a banquet in Qiongyan Hotel in honor of both Chinese and foreign deputies attending the 1991 Annual Conference of the Internal Consultative Committee for Hainan Economic Development and Environmental Protection.

Deng Hongxun, provincial party committee secretary, and Bao Keming, executive vice governor, attended the banquet.

When meeting with the deputies, Governor Liu Jianfeng said: It is a great pleasure for Hainan Province to receive so many well-known Chinese and foreign experts who have come to study the important question of ensuring harmonious development of Hainan's economy and

environmental protection. Since this international consultative committee was established in September 1990, under the leadership of both Chinese and foreign committee chairmen, all of you have done a lot of fruitful work beneficial to Hainan. On behalf of the provincial government, I extend heart-felt thanks to you.

After briefing the deputies on Hainan's Eighth Five-Year Plan and 10-Year Program, Liu Jianfeng stated: The project in which you are now involved is a component of our overall provincial plan. Hainan will do all it can to support your work.

Dr. (Huo Er Gai Te), a world-renowned environmentalist and president of the International Association for Protection of Resources, said: Hainan's work aimed at promoting environmental protection and a sustained economic development is an experiment of worldwide significance. This work will make Hainan an experimental zone in the world. You have invited so many foreign experts, briefed them on your development plan, and listened to their views. This has demonstrated your confidence in your own future and your courage as well. Through cooperation with you, we have developed confidence and are now able to go from the exploratory stage to the operational stage. We will be able to attract more international organizations that are interested in this project to come join us and make investment.

### Liu Jianfeng Inspects Hainan Irrigation Works

HK0111033591 Haikou Hainan People's Radio  
Network in Mandarin 2300 GMT 27 Oct 91

[Text] Yesterday morning, Governor Liu Jianfeng went to Qiongsan County on an inspection tour. Accompanied by (Lin Yunyu), acting secretary general of the provincial government; (Ye Tonggui), secretary of the Qiongsan County CPC Committee; and County Magistrate (Wu Yarong), Governor Liu Jianfeng successively went to the construction sites of mutually supportive conservancy projects of the general (Nanbuijiang) (Linsan) irrigation system, the (Liuqiong) Engineering Mechanical Industrial Company, and other units to conduct investigations.

At the construction site of the mutually supportive conservancy projects of the general (Nanbuijiang) (Linsan) irrigation system, Governor Liu extended regards to county-level cadres, militia, and locally stationed officers and men who had taken part in a great battle for [words indistinct]. He praised the county authorities for organizing residents to build water conservancy works. He hoped the county authorities would continue the practice, amassing financial and human resources to build a number of water conservancy projects every year.

While in the (Liuqiong) Engineering Mechanical Industrial Company [words indistinct] Repair Factory, [words indistinct], he said: Introducing investment from abroad and establishing internal ties at home has proven to be an important way to save loss-making enterprises. [passage indistinct]

**Hou Zongbin Visits Zhoukou Prefecture 22-28 Oct***HK0511103791 Zhengzhou Henan People's Radio Network in Mandarin 2300 GMT 30 Oct 91*

[Excerpt] On 22-28 October, provincial party Secretary Hou Zongbin went deep into Zhoukou Prefecture to conduct investigations and studies, and he inspected the progress in combating drought, sowing wheat, and other work. He went down to rural areas, peasant households and workshops, as well as groups in enterprises, to visit workers and peasants and extensively held discussions with cadres and the masses in the prefecture, counties, townships, and villages.

Hou Zongbin fully affirmed the work done by the Zhoukou Prefecture. He said: The basic ideas on development during the Eighth Five-Year Plan period proposed by the Zhoukou Prefecture are clear. Its guidance thinking is explicit and definite, and its targets of struggle are practical. Through this on-the-spot investigation, I believe that party organizations at all levels in Zhoukou Prefecture possess rallying power and fighting capacity. Mental attitude of cadres and the masses is also good. During the Seventh Five-Year Plan period, agriculture in the prefecture developed quite rapidly, and its township and town enterprises laid a better foundation. A number of good and typical examples like (Liu Fuchun) have come to the fore. Although the prefecture's industrial foundation was comparatively weak, it has some famous enterprises like Zhoukou Gourmet Powder Factory, (Songhe) Brewery, (Shenqiu) Gluside Factory, and others. It has made progress in various work.

While making investigations and studies in Zhoukou prefecture, Hou Zongbin supervised work to combat drought and sow wheat wherever he went. He repeatedly stressed that since drought conditions continue to worsen, the work to combat drought and sow wheat must not be delayed. We should overcome the thinking of relying on heaven to wait for rain. We should carry forward the spirit of struggling hard and concentrate our time and energy on drought-fighting drive. Combating drought and sowing wheat should be regarded as a central task now. [passage omitted]

**Li Changchun Investigates Wheat Sowing Situation***HK0211081591 Zhengzhou Henan People's Radio Network in Mandarin 2300 GMT 29 Oct 91*

[Excerpts] Governor Li Changchun made investigations in Shangqiu Prefecture 25-29 October. He said: It is necessary to do a good job in sowing wheat despite severe drought and make further advances on the already very good situation in the Shangqiu experimental zone.

Li Changchun went to Minquan, Suixian, Yongcheng Counties and Shangqiu City to investigate the ravages of the drought and check up on the work relating to combating drought and sowing wheat.

In Shangqiu Prefecture 5.5 million mu, or 68 percent of the planned target, has been sown in wheat.

Li Changchun called for fresh efforts to arouse cadres and the masses into action more intensively and on a wider scale. The focal point of work cannot be shifted elsewhere while the task of sowing wheat is left unfulfilled. Cadres at prefectural, county, and village levels must divide up the work and assign a part to each individual. All walks of life must support the struggle against drought at any cost. To ensure that the task of sowing wheat is completed, water must be supplied in every possible way including carrying it by shoulder pole and vehicle to places where it is not available locally.

Li Changchun and his party also went to factories, shops, country markets, and peasants' courtyards in Shangqiu Prefecture to find out how the experimental zone has developed. They discussed with the masses the ways to better carry out structural reform.

After visiting the Minquan County duck farm run by the county grain department and its affiliated organs, Li Changchun said: The grain department and its affiliated organizations owe their achievements to developing a diversified economy and ensuring an all-round development. He hoped Shangqiu's grain department and its affiliated organs will create a new formula in this respect for Henan. [passage omitted]

On the afternoon of 28 October, after listening to reports on the reform in the experimental zone by responsible members of Shangqiu Prefecture and Shangqiu City, Li Changchun said: The Shangqiu experimental zone is off to a good start in the year following its establishment. It has developed in a correct direction, and the measures it took were effective. I found a great change in Shangqiu in the following aspects.

1. All levels of cadres and the masses are in high spirits.
2. Cadres and the masses have noticeably increased their awareness of reform, opening, the commodity economy, and science and technology.
3. All levels of cadres and people have made useful explorations in the fields of grain, foreign trade, circulation, and development of the rural commodity economy.
4. The experimental zone has promoted the prefecture's overall economic development and brought a great change to the city's environment.

He called on all cadres and people throughout the prefecture to further free themselves from old ideas, be more courageous in carrying on their work, open more widely to the outside world, and perform their duties in a more practical way, running the experimental zone better.

He said: Emancipating the mind means that the broad masses of cadres and people are expected to carry on their work in an original way, being good at accomplishing the tasks assigned by the higher authorities under the actual conditions, keeping in step with the party Central Committee in formulating their general policy and principle, and making sure their general program meets the requirements of the provincial party



committee. Being more courageous in doing the work means having firm faith in and relying on the masses. It is the duty of leaders to give full play to the people's creativity in time, constantly summarize the advanced experiences created by the masses, and employ them to facilitate overall work. Opening more widely to the outside world means opening more widely to other provinces and regions in the country and to foreign countries. Shangqiu is located where four provinces meet. Given this favorable position, it will become an important economic city in central Henan and a regional hub of communications when the [words indistinct] railway is open to traffic. Therefore, we must do a good job in building a trade market and attract businessmen. Doing the work in a more practical way means taking effective measures to accomplish set tasks in all fields. Building up the experimental zone is an enormous project, which calls for a large number of cadres with pure party spirit and of great enterprise. Cadres at all levels should appropriately contribute to accomplishing set tasks, and every cadre must be judged in the course of [words indistinct]. Cadres who are pure in party spirit and have distinguished themselves in performing their official duties should be selected to fill leading posts.

#### **Hubei Issues Emergency Circular on Rural Tasks**

*HK0411060991 Wuhan Hubei People's Radio Network in Mandarin 1000 GMT 29 Oct 91*

[Excerpts] Yesterday the Hubei Provincial CPC Committee and People's Government jointly issued an emergency circular on strengthening drought resistance and autumn sowing. [passage omitted]

The circular stated: An urgent rural task at present is to waste no time in planting crops and ensuring a high standard and excellent quality for this year's autumn sowing. To this end, the following are necessary:

1) Take immediate action to firmly grasp drought resistance and autumn sowing. All areas must further heighten understanding, enhance the sense of urgency, vigorously publicize the party's policies, immediately mobilize and organize the broad masses of cadres and people to combat drought and carry out autumn sowing, suit measures to local conditions, and adopt measures in light of actual conditions. [passage omitted]

2) Improve service work and orient it to drought resistance and autumn sowing. All levels and departments concerned must vigorously develop the spirit they have displayed in combating natural disasters, take energetic action, step up coordination, and grasp in real earnest all sorts of service work oriented to drought resistance and autumn sowing. In particular, electric power, edible oil, farm machinery, and various other departments concerned must concentrate their efforts on improving edible oil and electricity allocation, transfer, and supply to drought-resistance work in a timely fashion and for an extended period. The supply, marketing, and financial departments must try in every way to ensure sufficient supplies of chemical fertilizer, farm chemicals, and funds

to autumn sowing. Grain and cotton departments must earnestly strengthen grain and cotton purchase work. Agricultural departments should organize and send scientific and technological personnel to rural areas to provide technological guidance and successfully build high-yield model fields. Various other departments concerned should do more practical things for and contribute to autumn sowing. [passage omitted]

3) Leaders at all levels must transform their style, reduce the number of meetings held, and concentrate efforts on organizing autumn sowing. Leading comrades must lead cadres in going deep into the drought-resistance and autumn-sowing forefront to strengthen supervision and examination, provide specific guidance, solve problems in a timely fashion whenever they are discovered, and take the lead in building model units and improving services with an eye to successful accomplishment of this year's autumn sowing task. 4) Mobilize on an overall scale, take action as early as possible, carry out farmland capital construction and water conservancy works building in a down-to-earth manner this winter and next spring. All areas must, in accordance with the arrangements worked out by the provincial party committee and government, promptly transfer leaders and labor to large-scale farmland capital construction and water conservancy works building after having basically accomplished their autumn-sowing tasks. In carrying out farmland capital construction and water conservancy works building, it is necessary to suit measures to local conditions, make overall arrangements, concentrate on key projects, and chart a clear-cut main orientation, as well as making arrangements, carrying out mobilization, and starting work at an earlier date.

#### **Northwest Region**

##### **Activities of Qinghai's Yin Kesheng Reported**

###### **Attends Religious Meeting**

*HK0111091491 Xining Qinghai People's Radio Network in Mandarin 2300 GMT 25 Oct 91*

[Excerpts] Yesterday [25 October] afternoon, the provincial CPC committee held a discussion in the Qinghai Guesthouse, and invited chairmen and vice chairmen of and advisers to the provincial branches of the Buddhist Association of China and the China Islamic Association who were newly elected by the recently concluded provincial congresses of the two organizations to attend the meeting to talk about religious work in our province.

In his speech, provincial party Secretary Yin Kesheng expressed the hope that the provincial branches of the Buddhist Association of China and the China Islamic Association would take Great Master Bainqen as their model to ensure that patriotism permeated and penetrated the entire process of their work. He also expressed the hope that they would embody and [words indistinct] patriotism so that it could truly become a banner for uniting with persons in religious circles and the masses

who belong to religions, and make contributions to Qinghai's stability and the development of their careers. [passage omitted]

Yin Kesheng continued: The more than 20 representatives from the provincial branches of the two religious organizations invited to attend today's discussion are influential and authoritative representative figures in Tibetan Buddhist and Islamic circles. They are the main leading force in the two organizations, and our intimate friends who have cooperated and worked with the CPC for a long time. He added: At present, the situation of religious work in our province is good on the whole, and religious activities are basically normal. The present favorable situation in our province's religious work is inseparable from the efforts of the patriotic religious organizations.

Yin Kesheng stressed: Ours is a multinational and multi-religious province. Tibetan Buddhism and Islam are the main areas of our province's religious work. Whether we can do our religious work well concerns our province's social stability, nationality solidarity and economic development. Therefore, we should continue to implement comprehensively and correctly the party's policy on religious freedom, and administer religious affairs in accordance with the relevant stipulations and policies. He expressed the hope that the two religious organizations would give full play to their role, and unite with the majority of religious personages and the masses who belong to religions to serve the building of the two civilizations, and make efforts to explore the way to coordinate religions with socialism. He pointed out: Patriotic religious personages should do well not only in handling religious affairs in accordance with the laws and policies of the party and the state, but also in concerning themselves with affairs of the state and the world. They should also enhance their sense of political responsibility and historic mission for the state, nationalities, and religious circles. They should carry forward the fine tradition of self-respect, self-regard, self-improvement and self-education. They should strengthen their study and enhance their own quality to become qualified religious figures who love their country and religions and are trusted by the people.

### Views Enterprise Work

HK3110072291 Xining Qinghai People's Radio  
Network in Mandarin 2300 GMT 26 Oct 91

[Text] The four-day provincial party committee work meeting concluded in Xining yesterday [26 October].

The meeting was especially devoted to studying the question of how to improve further the large and medium-sized state-run enterprises in our province and formulating a general guiding ideology for our provincial economic work in 1992.

The meeting began on 23 October. Its main theme was to relay and implement the spirit of the central work meeting and study the question of how to further

improve large and medium-sized state-run enterprises in light of our actual provincial conditions.

The meeting was attended by a total of 192 people, including provincial party committee standing committee members, such as Yin Kesheng, Tian Chengping, Sang Jiejia, Tang Zhengren, Cai Zhulin, Doba, and Ji Zhanbin, provincial government vice governors, provincial advisory committee, people's congress, and Chinese People's Political Consultative Conference Committee principal leading comrades, principal responsible comrades of various autonomous prefectures, prefectures, cities, provincial party committee departments, and various units directly under the provincial authorities, party committee secretaries and directors of various large and medium-sized state-run enterprises in our province.

At the meeting's opening session, Cai Zhulin, provincial party committee standing committee member and provincial vice governor, delivered a speech on our provincial economic work, in which he first analyzed our provincial economic situation in 1991.

Cai Zhulin said: This year, generally speaking, like the rest of the country, our provincial economic situation has witnessed a continual improvement. Our agriculture has surmounted natural calamities and maintained a steady growth. It is estimated that our total agricultural output value this year will register a 2.1-percent increase over last year. Our industrial production has gradually picked up and is expected to attain the preset annual quota. By the end of September, accumulated industrial output value realized by industries at and above township level had registered a 6.2-percent increase over the corresponding period of last year. Our communications and transport have remained normal. Our post and telecommunications business volume has increased further. We have also increased investment in fixed assets and improved investment structure. Our market supply has remained stable and sufficient while our commodity prices have been basically stable. We are expected to fulfill our foreign trade plan and increase our financial revenue by a slight margin. The balance of our bank deposits and loans has also witnessed an increase. We have scored more scientific research achievements.

After fully affirming our achievements, Cai Zhulin analyzed difficulties and problems confronted by our provincial economic work, which can be boiled down to the following: The enterprises are still being plagued by triangle debts; the enterprise losses are increasing on an ever growing scale; and the number of overstocked finished products is on the rise. He emphatically stated: Now we must orient our economic work to settling overdue debts, turning losses into profits, and linking investment compression with loan provision, further strengthen our determination, and make painstaking efforts to firmly and successfully grasp the aforementioned aspects of work.

Regarding next year's economic work, Cai Zhulin noted: The general guiding ideology for our provincial economic work in 1992 is to further deepen reform, consolidate rectification and improvement work achievements, focus on structural readjustment and efficiency improvement, maintain an appropriate growth rate, and bring about a comprehensive economic recovery. He said: Next year, we must concentrate our efforts on the following three aspects of work: 1) to consolidate agricultural basis; 2) to adhere to increasing economic results as the center; and 3) to center on improving large and medium-sized state-run enterprises. Next year, we must try to increase our agricultural output value by 3.4 percent and raise our total grain output to 1.2 million tons, thus bringing about a 4.7-percent increase over this year. We must also try to increase our livestock by 60,000 heads, increase our industrial output value by 7.5 percent, further raise our fund profit and tax rate and all-personnel labor productivity on this year's basis, and reduce enterprise losses by 20 percent.

Cai Zhulin emphasized: To improve large and medium-sized state-run enterprises, first, we must strengthen leadership; second, we must deepen reform; third, we must firmly grasp implementation. Our cadres must step up their study of Marxism-Leninism-Mao Zedong Thought; constantly enhance a sense of political sensitivity; always adhere to a correct political orientation; seek truth from facts; neither blindly follow orders of their superiors nor become book worshipers, but learn to work in light of actual conditions; persistently proceed from Qinghai's actual conditions; carry out the line, principles, and policies of the central authorities in light of actual conditions in various local areas and departments; work out local plans, measures, and methods; carry out work in a creative manner; develop a spirit of assuming high responsibility to the state; put the state interests before everything else; subordinate immediate interests to long-term interests; subordinate partial and local interests to overall interests; subordinate individual interests to state interests; unite and rely on the broad masses of staff and workers; pool the wisdom and efforts of all; work hard; and strive to improve enterprise performance.

Regarding the question of deepening large and medium-sized enterprise reform, Cai Zhulin emphatically called for doubling efforts in the following three aspects: 1) to reform the personnel appointment system, introduce a competitive mechanism, ensure fair competition, select and appoint most competent personnel, strictly examine personnel, and mete out clear-cut rewards and penalties; 2) to reform the enterprise distribution system, earnestly give expression to the principle of distribution according to work, not only avoid distributing undue benefits to individuals but also avoid equalitarian distribution, and link work remuneration with work contribution; and 3) to perfect the contracted responsibility system, assume full responsibility for both profits and losses, continue in-depth reform, and link the interests of cadres and workers with the interests of the state and collectives.

At the meeting's closing session, provincial party committee Secretary Yin Kesheng delivered a speech.

Yin Kesheng's speech was divided into the following three parts:

1. To heighten understanding, strengthen confidence, as well as to handle comprehensively and correctly the question of improving large and medium-sized state-run enterprises;
2. To establish, perfect, and smooth out the enterprise leadership system and wholeheartedly rely on the working class;
3. To step up study, transform style, and continually raise leadership standards.

Yin Kesheng pointed out: We must take improving large and medium-sized enterprises as a major move for consolidating our socialist system, conscientiously study speeches made by Comrades Jiang Zemin and Li Peng, understand both importance and urgency of improving large and medium-sized state-run enterprises from the high plane of preventing peaceful evolution, consolidating and developing socialist system, accelerating resource exploitation, and promoting economic prosperity and political stability in ethnic minority areas, as well as concentrate our efforts on making this work a complete success, because it has a vital bearing on the overall situation.

Yin Kesheng noted: Next year will be the second year for the implementation of the Eighth Five-Year Plan. Therefore, successfully carrying out all types of work in 1992 is of great importance. We have tentatively decided to raise our gross national product growth rate, total industrial output value growth rate, and total agricultural output value growth rate to a level identical to the average national level on the premise of successfully furthering structural readjustment and increasing economic results in the hope of bringing about a comprehensive economic recovery. To this end, while furthering reform and opening up, we must explore new trains of thought, make greater strides in resource exploitation, achieve more tangible results in our provincial development through advanced science and technology, and open up new vistas for our economic construction. Moreover, in accordance with the requirements set in our provincial economic development strategy as well as the requirements of our current work, we must concentrate efforts on strengthening agricultural and animal husbandry productions, successfully managing large and medium-sized state-run enterprises, successfully carrying out resource exploitation, successfully furthering reform and opening up, and successfully grasping various other key links that bear heavily on the overall economic situation with a view to pushing ahead with development of various other undertakings.

At the meeting, provincial party committee Deputy Secretary Tian Chengping put forward his views on how to implement the provincial party committee work meeting's spirit. Tian Chengping called on all departments



and areas to make appropriate arrangements for work toward the end of this year so as to lay a solid foundation for our next year's work.

### Provincial Leaders Attend Awards Ceremony

*HK0511143691 Xining Qinghai People's Radio  
Network in Mandarin 2300 GMT 2 Nov 91*

[Text] The fourth Qinghai provincial awards ceremony for awards in scientific and technological progress was solemnly held in the Provincial People's Auditorium yesterday morning. A total of 78 projects, which have played an important role in Qinghai's economic construction, was commended. The fourth appraisal work of the provincial scientific and technological progress awards began on 15 November 1989. By the end of December 1989, 115 projects were received, submitted by the preliminary appraisal departments throughout the province.

These projects submitted for appraisal have undergone a strict selection procedure, and 78 projects were finally selected for the prizes. Of this total, 12 projects won second-class awards, 24 won third-class awards, and 42 won fourth-class awards. Most of the awarded projects involved application in either development or research. The notable characteristic of the appraisal work is that importance has been attached to the promotion and application of the achievements.

It has been learned that the awarded projects have all been applied to production or the relevant fields. With regard to 53 projects whose formulas are set with the most concentration and whose economic results can be directly assessed, their total amount of increase in revenue and reduction in expenditure are estimated at 190 million yuan. Of this, 21 projects annually yield more than 1 million yuan in economic results, and 24 projects' annual economic results are between 100,000 and 1 million yuan. For instance, the research achievement, scored by the Qinghai Academy of Agricultural Sciences and other units, of bumper cultivation of spring wheat on medium- and low-yield land in the irrigated areas of the province has brought about an increase of output of spring wheat on medium- and low-yield land over wide areas. An accumulated increase of grain in four years totalled 30 million kg, and the newly increased output value amounted to nearly 20 million yuan.

At the meeting, provincial leading comrades Yin Kesheng, Tian Chengping, Sang Jiejia, Doba, Ma Wanli, Yang Maojia, Bainma Dandzin, Wang Fuxiang, and (Yao Jieshan) respectively presented prizes to 156 units which principally completed the awarded projects and extended congratulations and thanks to the 340 people who made major contributions.

Vice Governor Bainma Dandzin delivered a speech. He pointed out that in future scientific and technological work, it will be necessary to pay attention to the following aspects: vigorously disseminate the idea of "science and technology being the primary productive forces"; strengthen scientific and technological awareness of the

entire society; comprehensively implement the principle of reliance and orientation; put the stress of scientific and technological work on the main battlefield of economic construction; deepen reform of scientific, technological, and economic structures; promote close integration between economy and science and technology; show respect for knowledge and talented personnel; bring into full play the role of scientists and technologists; conscientiously strengthen leadership over scientific and technological work; and give support to the development of the scientific and technological undertakings.

Bainma Dandzin expressed the hope that the vast number of scientific and technological workers in the province would unite closely, inspire their enthusiasm, actively throw themselves into the great practice of relying on scientific and technological progress and invigorating Qinghai's economy, and strive to victoriously achieve the second-step strategic objective of the economic construction in Qinghai.

Representatives of the award winners (Xu Beihe) from the provincial Academy of Agricultural Sciences and (Li Jinghai) from the provincial Public Security Bureau also spoke at the meeting. Nearly 1,000 representatives of scientific and technological personnel attended the meeting.

### Qinghai Telephone Meeting Views Family Planning

*HK0611063791 Xining Qinghai People's Radio  
Network in Mandarin 2300 GMT 1 Nov 91*

[Excerpts] The provincial people's government has made a decision on designating, as of this year, November as a family-planning propaganda month.

The provincial government called a telephone meeting yesterday evening, at which it reported the present family planning work progress and made arrangements for the family planning work this winter and next spring as well as for the family-planning propaganda month activities.

Our reporter learned from the telephone meeting: This year, various parts of our province have taken population control and family planning work as an important component of their overall economic and social development, adopted practical and effective measures, and achieved gratifying results. [passage omitted]

Statistics show that in the first half of this year, the additional-birth rate exceeded 30 percent and the unplanned birth rate 29 percent in certain counties, whereas the birth-control rate dropped below 60 percent in some counties. Our province is still confronted with an arduous task of fulfilling this year's population control quota. In view of this situation, at the telephone meeting, Vice Governor Bainma Dandzin called on various areas to waste no time in setting off province-wide family planning propaganda activities, implementing all birth-control measures to the letter, taking family planning propaganda and education as a component of the on-going socialist ideological education in rural areas,

and shift family planning work focus to rural and pastoral areas where family planning work is relatively weak by implementing to the letter and on a constant basis the spirit of a central decision as well as a series of instructions issued by the provincial party committee and government on strengthening family planning work. [passage omitted]

Bainma Danzin also called on governments at all levels to strengthen leadership over family planning work earnestly, organize and coordinate all parties concerned to join hands in carrying out family planning work, and strive to improve family planning work.

The telephone meeting made arrangements for the Family Planning Propaganda Month activities and urged party committees and governments in various areas to strengthen leadership; make unified arrangements; take unified action; mobilize all forces in the society; strengthen, in particular, the work of propaganda, radio, television, newspaper, cultural departments; and step up cooperation among them so that they will join hands in ensuring a complete success for the Family Planning Propaganda Month activities and contributing to pushing ahead with family planning work.

#### **Song Hanliang Addresses Xinjiang CPPCC Forum**

*OW3010115791 Urumqi Xinjiang Television  
Network in Mandarin 1655 GMT 28 Oct 91*

[By reporter Guo Yueling; from the "Xinjiang News" program]

[Text] [Video opens with a wide shot of a conference room where about 100 members are seated in rows of tables, cutting to pan shots of the conferees] The 15th meeting of the Standing Committee of the Sixth Xinjiang Autonomous Regional Committee of the Chinese People's Political Consultative Conference [CPPCC] opened in Urumqi today. The main purpose of the meeting is to transmit and study the guidelines of the Work Conference of the CPC Central Committee, the enlarged meeting of the Standing Committee of the regional party committee, and the 16th meeting of the Standing Committee of the Seventh National CPPCC Committee. The meeting is also to deliberate and approve the proposed plan for further readjusting product mix and revitalizing state-owned large and medium-sized enterprises; a report by the Motions Committee on the progress in handling motions since the Fourth Session of the Sixth Xinjiang Autonomous Regional CPPCC Committee was convened; and a report on the tour to Tibet, Sichuan, Qinghai, and Gansu to study the work related to people's political consultative conference.

Secretary Song Hanliang and deputy secretary Amudun Niyaz of the regional party committee attended the meeting today, which was chaired by Ba Dai, chairman of the regional CPPCC committee. [each of the leaders is seen in a close-up shot as the announcer reads their names]

Song Hanliang spoke at the meeting. He said: Under the unified leadership of the regional party committee, CPPCC committees at all levels in Xinjiang have conscientiously implemented a series of principles, policies, and major measures adopted by the party Central Committee and the regional party committee on the work of the united front and people's political consultative conference. Holding high the banners of patriotism and socialism, CPPCC committees have made great contributions to helping the regional party committee and the regional government safeguard unity, stabilize the regional situation, and shift the focus of the work to economic construction by offering useful suggestions for developing the regional and local economy, by promoting the building of two civilizations, and by pushing the reform and open policy in Xinjiang.

Song Hanliang also said: The People's Political Consultative Conference should constantly subordinate its work to serving the party's general line and general task. It should exploit its advantages to improve state-owned large and medium-sized enterprises, and should play an even greater role in pushing economic construction, reform, and opening up of Xinjiang. Under the banners of patriotism and socialism, the People's Political Consultative Conference should devote greater efforts on harmonizing relations, dissolving contradictions, and enhancing unity of various sectors. Party committees and governments at all levels should create favorable conditions for CPPCC committees to conduct consultations and supervision. [while the announcer reads the report, camera alternately pans the conferees and focuses on Song Hanliang]

The meeting today was attended by Vice Chairmen Meihemaiti Simayi, Wang Shizhen, Kanbarhan Amat, Han Youwen, Tayier Maimaitili, Zhao Ganqing, Yibulayin Rouzi, Ga Wenxiang, Memetnizay Hara, Aronghanaji, and (Lu Qianxun).

#### **Xinjiang Standing Committee Meeting Opens**

*OW3110182991 Urumqi Xinjiang Television  
Network in Mandarin 1655 GMT 30 Oct 91*

[Report by Iliham Osman; from the "Xinjiang News" program]

[Text] [Video opens with a wide shot of a large conference room where about 150 people are seated at rows of tables; then it shows a close-up of Amudun Niyaz] The 23d meeting of the Seventh Xinjiang Autonomous Regional People's Congress Standing Committee opened in Urumqi this morning. Amudun Niyaz, chairman of the regional people's congress Standing Committee, chaired the session in the morning. The main purpose of the meeting is to deliberate the revised draft of the regional regulations banning marijuana and drugs and the revised draft of the regional measures for enforcing the Law on the Protection of Wildlife; to hear and deliberate reports by the regional people's government on progress in screening "three irregularities" and in

building clean government; to hear and deliberate a report by the regional people's procuratorate on fighting corruption and bribery; and to approve appointments and dismissals of personnel.

In the morning, (Abduhadir Wumayer), vice chairman of the Legislative Affairs Commission of the regional people's congress Standing Committee, explained the revised draft of the regional regulations banning marijuana and drugs; and (Zhang Chengyi), also vice chairman of the Legislation Affairs Commission, explained the revised draft of the regional measures for enforcing the Law on the Protection of Wild Life.

Vice chairmen of the regional people's congress Standing Committee who attended the meeting this morning were Li Jiayu, Sawdanov Zayir, Mahinur Kasim, Shi Geng, Saersibik Istik, Zhang Shaopeng, Ma Mingliang, Kurban Ali, Turbayim, and Abulayoufu. Li Donghui, vice chairman of the regional government, and Yibulayi Rouzi, vice chairman of the regional committee of the Chinese People's Political Consultative Conference, attended the meeting as observers. Among those who observed the meeting were also responsible persons of the regional higher people's court and the regional people's procuratorate. Senior officials of some democratic parties and mass organizations watched proceedings of the meeting. [While the announcer reads the report, camera pans the rows of tables and focuses on the leading officials as their names are announced]

#### Hears Anticorruption Report

OW0311044991 Urumqi Xinjiang Television  
Network in Mandarin 1655 GMT 31 Oct 91

[From the "Xinjiang News" program]

[Text] The 23d Session of the Seventh Xinjiang Autonomous Regional People's Congress Standing Committee held a plenary meeting today. The meeting was presided over by Standing Committee Vice Chairman Li Jiayu. Entrusted by the regional People's Government, Li Donghui, vice chairman of Xinjiang, made a report on the region's work on dealing with the three illegalities [illegally collecting fees, imposing fines, and apportioning expenses]. He said: After nearly a year's effort, we have

achieved quite noticeable results in dealing with the three illegalities. First, through relaying and studying the central authorities' guidelines in this regard, we have considerably deepened our understanding of the work. Second, we have gained a basic idea of the ongoing methods of fee collection, fines, fund raising, and expense apportioning in Xinjiang. Third, we have abolished a number of projects in connection with the three illegalities. He hoped leading departments at all levels would attach greater importance to the work in dealing with the three illegalities, continue to do a good job in examining and handling work in this area, undertake efforts to establish a system and regulations for the work, ensure that no illegalities are involved in projects when examining them upon completion, and seriously deal with the three illegalities in rural areas to ease the burden of peasants and herdsmen.

Entrusted by the regional People's Government, Muliti Manlike, director of the Supervision Department of Xinjiang, made a report on Xinjiang's efforts to improve administrative honesty. He said: From January to September, supervision departments at all levels in Xinjiang received 8,020 reports on cases involving malpractice and wrongdoings, of which 2,881 cases have been handled, 421 cases have been placed on file for investigation and prosecution, and 353 cases have been closed. Administrative disciplinary actions were taken or suggested against 336 people involved in these cases, of which 18 were cadres at the county and departmental levels. More than 2.61 million yuan in economic loss were recovered.

(Xiao Wen), deputy chief procurator of the Xinjiang Regional People's Procuratorate, made a report on the region's efforts to fight corruption and bribery. He said: Procuratorates at all levels in Xinjiang have always regarded anticorruption as the center of procuratorial work, and have given top priority to the work in planning and allocating manpower and resources for the work, enabling us to achieve visible results and new progress in this area. Since 1989, we have investigated and dealt with 728 major corruption and bribery cases, of which nine cases involved 500,000 yuan or more. From January to September, 213 major cases were placed on file for investigation. [video shows officials making reports at meeting, those attending listening]



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